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AUSTRALIA

ECONOMIC AND POLITICAL
STUDIES

By Various Writers

Edited by
MEREDITH ATKINSON

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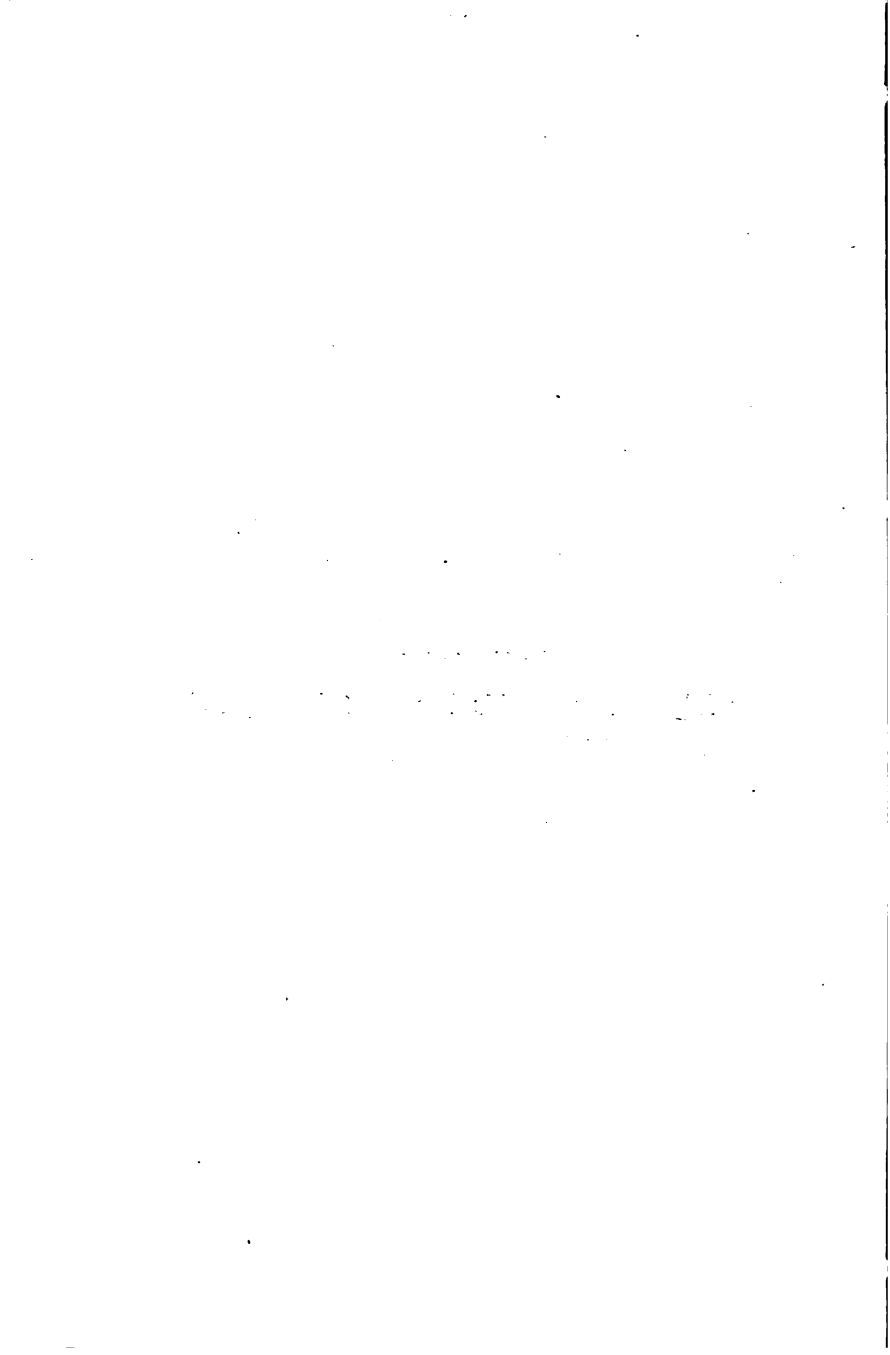
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G. E. P.

Dedicated to
The Right Honourable Viscount Bryce, O.M.

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PREFACE

Probably no country in the world has been more forward in social experiment than Australia, and none so backward in contributing to the world stream of sociological thought. The reasons for this anomaly will, we hope, be found in the present volume. Many a young scholar, coming from Great Britain to take up an academic appointment in Australia, has dreamed of producing some comprehensive work of research into the sociology of this courageous and virile young nation. But, alas! the majority of us have found our energies almost wholly absorbed by the excessive teaching demands which University conditions in Australia impose. The success of certain composite works published during the war suggested to the Editor of this book the possibility of co-operation between experts, as a practical alternative to a sociological work by any single hand. With very slight exceptions, his original plan has been carried out, and we believe the result to be the first comprehensive and authoritative work on the sociological and economic conditions of Australia yet to be published.

The writers are representative of the Universities of Oxford, Cambridge, Edinburgh, Leeds, Sydney, Melbourne and Adelaide. Almost equal proportions of them were born in Australia and in the United Kingdom. All have had many years of intimate experience with life in the Commonwealth, and can claim to be regarded as experts in their several subjects.

Considerable delay in the publication of the book has been experienced, owing to a succession of serious industrial disputes, following the close of

the war. This explains the addition of postscripts to several chapters which needed to be brought up to date. The exigencies of the paper-market also had their effect upon the *format* of the book. The Editor has purposely left untouched a number of cases of overlapping of treatment and of contradictory opinion between certain authors, believing that the outside world is thus much more likely to secure a truly composite presentation of our social problems. The work is launched with great hopes that it will clear away much ignorance and misunderstanding concerning Australia, the picture of whose conditions has been largely left to the doubtful artistry of travelling politicians. We feel that the world is interested in this Commonwealth, and really wants accurate and scientific information about it.

I have to thank Mr. J. T. Sutcliffe, Secretary of the Commonwealth Basic Wage Commission, for preparing the index, and all my colleagues in this work for their cordial and patient co-operation.

M. A.

University of Melbourne,
September, 1920.

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CHAPTER I.

THE AUSTRALIAN OUTLOOK.*

By Professor Meredith Atkinson.

It is not enough to say that the Australian nation is but a child of British stock reared in a new environment, or that the Australian Commonwealth is but the logical extension of British democracy. Australia is distinct from Britain if only in being more British than the Motherland or any sister Dominion.† But under their more favourable social conditions Australians have developed highly distinctive national characteristics that cannot be fully described merely by calling them British. The Australian outlook is in many fundamentals widely different from that of the people of England or Scotland. In her social legislation, with its high ideal of general welfare, in her universal franchise, higher wages, better living and working conditions, and above all in the widespread spirit of freedom and personal independence, Australia is no mere improved copy of older countries. She has developed a nationalism which is more than ordinary patriotism. It is rooted in a passionate belief that Australian civilisation is profoundly different from that of the old world, and that Australia is on the way to become an ideal Commonwealth. "A

* Some of the matter of this chapter has already appeared in various Australian, American and British reviews, but I have modified it so largely that exact references cannot always be given.

†The four nationalities of the United Kingdom are thoroughly blended in the Australian people. Eighty-six per cent. of the population is Australian-born and over 95 per cent. British-born.

AUSTRALIA.

Commonwealth is a community, designed to meet the common needs of men, founded on the principle of the service of each for all.*

Though the self-complacency of many Australians regarding the superiority of their country commits them to some absurdities of comparison with older civilisations, their faith in their own country is at bottom as admirable as this definition of a Commonwealth demands. The Australian people are, indeed, consciously striving for an ever-rising standard of civilisation, in which every citizen will find the fullest opportunities for his complete development and happiness.

Australian Independence.

Of the outstanding characteristic of Australians—namely, independence—much is due to their conscious repudiation of the bad traditions of the old world in favour of the strong idealism of a new Commonwealth, established in the fresh fields and untainted atmosphere of a virgin continent. It is not that the people of Australia dislike Britain or the British, but they hate the old systems of caste and privilege, the devious diplomacy of European chancelleries, the chronic prevalence of destitution, the age-long servility of the poor, the atmosphere of aristocratic condescension, the reluctance to change prevalent amongst all classes in the old world. It has, therefore, become a cardinal feature of Australian policy to endeavour to cut adrift from the economic imperialism, the militarism and commercialism of Europe and America.

While England was still regarding the colonies as children who would never grow up, they had become self-governing dominions with a vigorous, independent life of their own. The foundation of the Australian navy is a typical example of the true quality and significance of Australian nationalism—not a selfish launching out on a separatist policy,

* A. E. Zimmern: "Nationality and Government."

or a demand for independent action for its own sake, but a determination to be free from purely British control, because of a feeling that Britain did not fully comprehend Australia's problems. The Tariff Laws, the Navigation Acts, the compulsory military training scheme, the White Australia Policy, and many other characteristic features of Commonwealth legislation have also been frequently contrary to British Imperial policy. Many people in Britain continue to regard these things as examples of Australian "selfishness." They do not understand the strength of Australia's determination to pursue her own lines of national development, whatever others may think of them. The same spirit of independence and the same distrust underlie Australian opposition to Imperial Federation. It is feared that it would mean a dangerous reduction of the powers of self-government, and involve Australia in European quarrels and capitalist exploitations to which she is, in spirit and outlook, entirely opposed. Again, the Australian feeling that British statesmen either do not understand or fail to sympathise with the fundamentals of Australian policy is quite justified. For example, few outside the Commonwealth really understand the White Australia policy,* or the difference between Australian nationalism and "cutting the painter," or the sentiment behind Australian protectionism. The realisation of this want of touch and compre-

* Mr. W. M. Hughes, Prime Minister, expressed this well in his speech in the Federal Parliament, 10th September, 1919, on the Peace Treaty:—"Members who have travelled in the East and in Europe will be able to understand with what difficulty this world-gathering of men, representing both coloured and partly-coloured peoples, was able to appreciate this idea of 5,000,000 people who had dared to say over a great continent that this was not only theirs, but none should enter in except such as they chose. Therefore, perhaps, the greatest thing we have achieved in such circumstances, in such an assembly, was the principle of a 'White Australia.' There are some at the two extremes of the poles of political opinion who do not hold these views, but, thank God, they are few in numbers,

hension tends to make Australians still more determined to pursue an independent policy. There can be little doubt that this instinct is a true one. Free co-operation with Britain, not subordination, is Australia's line of safety, both in facing a world full of dangers and in avoiding the entanglements of an Imperial policy alien to its own spirit.

It must be confessed, however, that this independence of outlook has the defect of its quality. Australians are apt to think politically in large slabs, avoiding all refinements of thought, and the implications of their policies in the larger world of states. They are satisfied to cry, "No Imperial Federation," and to think no more about it. And yet "the problem is actual, concrete; it has to be faced now, whether we like it or not. The principle of self-government for the Dominions, willingly conceded and firmly established by the people of the United Kingdom, can never be questioned. But the growth of the Empire has made necessary a re-examination of the relations between the United Kingdom and other self-governing nations of the British Commonwealth. The war has had the effect of sharpening intensely the anomalies of the political relationship between Great Britain and the Dominions."* To the average Australian, Imperial Federation savours too much of the keen desire of British capital to take advantage of the economic development of a more closely unified Empire. That fear, coupled with the intense concern of the Aus-

and, I hope, of limited influence. This is the foundation of all that Australia has fought for. This is the only part of the Empire or of the world in which there is so little admixture of races. In England and France you may hear men in adjoining counties or provinces speak different dialects, and, in the case of France, unable to understand each other; but in no part of Australia can you distinguish one Australian from another by his speech. We are more British than Britain, and we hold firmly to this great principle of a 'White Australia' because we know what we know, and because we have liberty and we believe in our race and in ourselves, and in our capacity to achieve our great destiny."

tralian for the maintenance of their- autonomy, places Imperial Federation definitely beyond the sphere of practical politics. But it is an unfortunate result of this strong national sentiment that Australians fail to realise the wider aspects of their responsibilities as citizens of the British Commonwealth and of the League of Nations. While the Covenant of the League was being formulated in Paris, and the status of the Dominions within it had been defined in a way that made the occasion of the highest historical importance in the annals of the Dominions, the Australian people and their press exhibited the most remarkable apathy towards all these developments. Again, while expressly opposed to secret diplomacy, they had allowed their Ministers, in consultation with the British War Cabinet, to come to certain agreements regarding foreign countries, vitally affecting Australia's interests, without appearing to perceive the drift of such a policy. Unfortunately, the ignorance of our own citizens concerning foreign affairs is one of our worst dangers. "The Australian is too self-complacent in his view of the safety guaranteed by his own institutions. In his characteristic opposition to being drawn against his will beyond the pale of his immediate interests, he forgets that the world is rapidly becoming a unity, whose welfare depends upon the close co-operation of its parts, and that largely depends upon the knowledge possessed by each part of the conditions of every other. One significant example of this determination not to look outwards from the Commonwealth is the fact that before the war the Australian Labour movement had no international sentiment, though as a movement it was among the strongest in the world."* If self-government is to mean merely selfish government, instead of the development of a

* "New Social Order," M. Atkinson, p. 279.

* See article in "Stead's Review," Melbourne, June, 1919: "The Government of the Empire," by M. Atkinson.

democracy which would associate itself with all other democracies for the common good of humanity, Australian nationalism may prove no better builder of the new world-order than the autocracies of Europe.

Standards of Australian Civilisation.

In any attempt to estimate the standards of culture and civilisation in a country, nothing is more difficult than to find a common ground from which to measure. American and British visitors to the Commonwealth are often extremely critical of the want of business smartness and power of organisation which they notice in the economic life of the country. In many respects Australians must plead guilty to charges of casualness and backwardness in official and commercial activities. But before we can settle the relative values of any two civilisations, we must ask what are their express aims, and by what means they are seeking to attain them. It may be granted at once that the United States, for example, is far ahead of Australia in the variety of its products, the efficiency of its industries, the skill and smartness of its people, the amount of its wealth and the scope of its commerce. But how do the two countries compare in the proportions of their citizens who are intelligent and well-instructed, possessed of a broad social outlook, determined upon the "square deal" for everybody, with a fair sufficiency of the good things of life, working under good conditions, living an existence which enhances their self-respect and provides them and their children with a high standard of comfort? There can be no room for doubt that Australia emerges from such a test with flying colours.

Granted that she has not the same social problem as that of the United States—a huge and mixed population, crowded cities and a vast industrial system—Australia should receive due credit for aiming first and foremost at a high average welfare

for her citizens, for putting the distribution of wealth before the question of its production. This attitude has, of course, serious defects. Much of the casualness and "devil-may-care-ness" so characteristic of the Anzacs is the result of their being satisfied with a moderate national dividend evenly distributed, in preference to a larger dividend unequally shared. Another factor is the immense power wielded in Australia by organised Labour, which, as is well known, is frequently in possession of the reins of government. Their policy has always tended to favour "the bottom dog." Unfortunately an accompanying effect has been the discouragement of highly skilled labour and of the introduction of new industrial methods. The differences between skilled and unskilled rates are often small or non-existent. The resistance to "efficiency methods" is bitter in the extreme. This attitude has strong justification, but it will have serious results in the sphere of national production. The Australian worker, however, has culled from industrial history the bitter lessons of the evils of class privilege and capitalistic oppression. Come what may, he is determined that he will raise himself and his class above the sordid level of modern industrialism.

The problem for Australia is thus to promote a rising standard of life and yet apply the new industrial methods of more advanced nations. At present she is a nation of high social averages. To her, totals matter far less than averages. Though there is but a small highly-cultured class in the Commonwealth, general knowledge is widespread, and the average Australian is a highly intelligent, well-instructed citizen. In technical and scientific knowledge he cannot rival American or British standards, but his adaptability, initiative and resourcefulness, whether in meeting a dangerous situation or repairing his own agricultural machinery, are renowned. Though the Australian is impressed by the figures of production in the

United States, and the wonders of human genius re-acting upon unsurpassed resources, he is still more impressed by the anti-social influence of American Trusts, the U.S. Labour Department's reports of the sweating of little children, the low wages and long hours of large bodies of American workers, stories of political graft, and the entire absence of a Labour Party in politics in the United States.

The two countries have thus differing social outlooks and standards. Could Australia copy American organisation and retain her high standard of average comfort, she would lead civilisation. This young nation has made a courageous and noble effort to rear its national life, not upon wealth, but upon "commonwealth." In that effort the faults of crudity and youth are glaringly apparent. Nor is she alone in the great adventure. But in these days of universal unrest, other nations may learn from Australia the true reality of the distinction between national wealth and national welfare.

"Though much is due to a better social outlook, Australians are apt to forget their great debt to fortune. A combination of circumstances over which they have no control laid the foundations of their success. In the first place, Australia was a virgin country, very little spoiled in the earlier half-century of its development. It had inherited no feudal landlordism, with its traditions of servility and homage to outworn institutions. It escaped the worst afflictions of an old industrial system, and soon abolished the more unseemly features of modern industrialism. The democratic franchise was gained in time to place the impress of the people's will upon all Australia's youthful institutions. It is none the less remarkable, however, that this land flowing with milk and honey was not given over entirely to exploitation by that intense form of individualism which characterises the early progress of almost every new colony."*

* "The New Social Order," pp. 274-5.

Sociological Tests.

Modern sociology has definitely repudiated the crudely utilitarian standards of progress accepted by nineteenth century commercialism. The ethical test of civilisation may now be said to be generally accepted by social theorists, and in a sense that far transcends the material objective—"the higher standard of comfort"—of the social reform movement of the last generation. Social amelioration, from being an end, has become a means, the true test of social progress being spiritual. It may be said that Australia, more than any other country, has adopted the high standard of social welfare as the objective of its national policy, but without realising the higher objectivity of a rising standard of comfort. It has applied the methods of re-valuation of "wealth" so eloquently advocated by John Ruskin, but without any intellectual analysis or deep spiritual understanding. Hence Australia is a country of high social standards, but it has made no contribution of importance to sociological thought. If Australians were asked, they would agree "that the final outcome and consummation of all wealth is in the producing as many as possible, full-breathed, bright-eyed and happy-hearted human beings." But they are utilitarian enough to be satisfied with the concrete results of advanced social legislation, without troubling to enunciate any theory of society. Judged by the standard which they themselves have adopted, their achievement must be regarded as unique. Whether we test it by the material conditions which they have created for themselves, or by the spirit in which they approach their relations with their fellows, the people of Australia have given a large-scale demonstration of the supreme importance of social environment in elevating the physical and mental standards of a nation.

When we come to test the concrete achievements of Australia in the social sphere, we cannot but

consider the total result remarkable. While Australians are apt to exaggerate the success of these conditions on the quantitative side, and to underestimate the social improvements effected by other countries faced with far more difficult problems, the qualitative test of her civilisation must yield to Australia a foremost place amongst the nations of the world. The principal items to her credit may be usefully enumerated* before fuller particulars are recorded†—(1) The more equitable distribution of wealth, both as national income and personal property. (2) The extension of political rights, through the universal franchise—including equality of the sexes—the Referendum, and similar democratic devices. (3) A very high level of general elementary education, as exhibited in the widespread interest in and understanding of domestic politics, and the remarkable number of magazines and newspapers. (4) The great strength of the political Labour movement, and the frequent accession to political power of the Australian Labour Party in the States and the Commonwealth. (5) The power and numbers of the trade unions of Australia, unrivalled anywhere else in the world. (6) The non-existence of any peasant class or urban proletariat, in the old-world sense. (7) The absence of work-houses and other institutions for poor relief, which involve acceptance of the social problem as permanent and insoluble. (8) The system of old-age and invalid pensions and the baby bonus, on a scale far more generous than that of other countries. (9) Factory legislation of the most enlightened and advanced kind, rigorously enforced by the Governments, and particularly strict regarding the employment of women and children. (10) Relatively high wages for all occu-

* In all cases of comparison, the reader is asked to presume that New Zealand standards are quite equal to, and sometimes higher than, those of Australia.

† Other chapters in this book deal at length with several of these topics.

pations, and higher wages for labourers and women than in other countries. (11) The almost universal adoption of the eight-hours day and the forty-eight-hours week, with even shorter hours in some trades, together with the early closing of shops and public offices. (12) Enlightened Public Health Acts, and rigorous administration of Pure Foods and Drugs Acts. (13) A remarkably low general death-rate, infant death-rate and prevalence of disease. (14) The nationalisation of railways and numerous smaller enterprises, and the great amount of State intervention and control in industrial and commercial matters generally. (15) The regulation of the conditions of labour through Wages Boards and Arbitration Courts established by law. (16) The White Australia policy, whose main objective is the preservation of the Australian standard of social welfare. (17) The "New Protection," whose aim is the same as that of the White Australia policy—the maintenance and elevation of the economic standards of Australian labour by fiscal measures. (18) The extremely enlightened administration of Papua (British New Guinea) by the Government of the Commonwealth. (19) The prevalence of open-air sports and pastimes, which are availed of by all classes to a remarkable degree.

It is by no means suggested that every one of these evidences of progress is without blemish. But they are presented rather as indications of the Australian outlook and the admirable objective of our social legislation, than as necessarily successful or good in themselves. State Socialism and Industrial Arbitration, for example, have by no means achieved what their advocates promised. But their objectives are none the less admirable, and are consistent with the general aim of Australian civilisation. In most cases the facts, as cited below, speak clearly for themselves.

"In art, literature, and science, Australia has produced a number of distinguished men and women far beyond what might have been expected of

so small a population. But it must be regretfully admitted that there is much more appreciation of distinguished Australians outside their country than in it. The average Australian holds in slight regard achievements in the sphere of the intellect. Something of this is due to the materialism natural to a young country, but more is traceable to the absence of the highly-cultured society, intense social life, and great educational institutions of Europe and America. In their anxiety to repudiate the bad social conditions and undemocratic thought of the Old World, Australians often make the mistake of neglecting the high cultural value of European civilisation. They speak disparagingly of things from abroad, and are too complacent in claiming for Australia the foremost place in every activity. There is nothing more fatal to the intellectual and social progress of a nation than hostility to the thought and methods of other peoples. It must be admitted, however, that the Australian finds much excuse for his attitude in the assumption of superiority by those from other lands."*

Practical Achievements.

The Census of the Private Wealth of Australia† taken during the war showed how much more equitable is the distribution of both income and property than in other countries. The most signal features of the results of the investigation are the relatively small number of very large incomes, the low percentage of incomes over £1000, and the high average of factory wages and of women's wages. The most casual observer must notice the reflection of this greater approach to economic equity in the fact of the relatively small difference between the daily apparel, manners, speech and general appearance of the various classes in Australia. It might be fairly asserted that the material

* "The New Social Order," pp. 272-3.

† See Chapter XIII.

life of the average working-man in the Commonwealth is on the level of the lower middle-class in England, while the proportion of people who enjoy a middle-class standard is overwhelmingly greater than in England. On the other hand, the percentage of persons of leisure is far less in Australia than in the Mother-country.

The Australian Labour movement is undoubtedly responsible for the major part of the better conditions enjoyed by the people at large. Its success is mainly due to its having rightly interpreted and voiced the spirit of progressive nationalism of the Australian people. Without the votes of a large number of the non-industrial classes it could never have come to political power. Whether its change of complexion during the war* has lost to it this body of supporters remains to be seen. But the increasing political and industrial solidarity of Labour cannot be gainsaid, and it seems certain that it will regain the powers of government in the Commonwealth and some States at no distant date.

On the purely industrial side, the strength of Trade Unionism is clearly proved by the appended figures.† They show that Australian trade Unionism is relatively far stronger than that of other countries. The interlocking of the political and industrial organisations of Labour is largely responsible for the success of both, though industrial arbitration, education and better conditions must be counted in.

* See page 21. The result of the elections of December, 1919, indicates that the Nationalists have regained political power with a somewhat reduced majority. This may be safely interpreted as a repudiation of Bolshevism, but a hint to the Government to expedite social reforms.

† See Commonwealth Census Office Labour Report, No. 7.

"The following table shows the membership of trade unions in various countries for the year 1914. The number of trade unionists per 1000 inhabitants in each country is also shown:—

The comparative table of wages, hours of labour, and purchasing power in certain countries shown below is taken from the Report of the Economic

Trade Unions.—Total Membership and Number of Members per 1000 Inhabitants. 1914.

Country.	Total Membership in thousands.	Population in thousands.	No. of Members per 1000 Inhabitants.
	(000)	(000)	
Australia†	523	4,941	106
Austria (including Croatia and Slavonia)	*704	28,879	24
Belgium	\$214	7,571	28
Bosnia and Herzegovina	6	1,962	3
Bulgaria	†29	4,466	7
Canada	166	7,758	21
Denmark	156	2,860	54
Finland	\$28	3,140	9
France	\$1,499	39,660	38
Germany	\$4,841	65,426	74
Holland	228	9,114	37
Hungary	\$112	21,135	5
Italy	\$972	35,238	28
New Zealand	74	1,090	68
Norway	\$61	2,392	26
Roumania	*10	7,230	1
Servia	*8	4,548	2
Spain	†80	19,550	4
Sweden	*123	5,604	22
Switzerland... ..	*127	3,781	34
United K'gdom	3,960	46,936	86
United States	\$2,605	95,411	27
Total	16,536	414,992	40

* 1912 Figures. † 1911 Figures. ‡ At the end of the year 1916 the total membership was 546,556. § 1913 Figures.

From the foregoing table it will be seen that as regards *actual* numbers of trade unionists Germany comes first, followed in the order named by the United Kingdom, the United States, and France. As regards *relative* numbers (per 1000 inhabitants) Australia has by far the largest proportion.

Commission of South Africa issued in January, 1914. It sets forth the conclusions in the form of index numbers. It will be observed that the hours of labour were less in 1914 in Australia than in other countries, and that real or effective wages were higher than in any other country considered, except Canada, the United States of America, and South Africa.

Country	Wages	Hours	Purchasing-Power of Wages
South Africa.	80	104	92—101
Johannesburg	100	100	100—110
England and Wales	31	109	63
France.	23	127	43
Germany	26	121	46
Belgium	20	132	44
United States of America	72	104	101
Canada	70	105	100
Australia	60	100	98

The war period has probably placed Australia easily first, since the rise in the cost of living in other countries has been far greater than in the Commonwealth—generally three times as great, while nominal wages have much more nearly kept pace with the rise. The effective wage index number for 1918 is precisely the same as that for 1914—no small achievement during a great war. The average working week at the end of 1918 was 47.88 hours for males, and 48.42 for females. It should also be remembered that shorter hours have been enjoyed by Australian workers for many years past. Factory conditions are similarly favourable.* The health and well-being of the workers are carefully protected and promoted. Children and women are specially safeguarded. The ordinary age of admission to a factory is 14 years, except in South Australia, where it is 13. Boys under 16 and all females in factories are prohibited by law from working more than 48 hours per week. The hours of shop assistants are remarkably short.

* For a conspectus of the Factories Acts of the various States, see Commonwealth Year Book, No. 7, pp. 994-997.

The provisions for Old Age and Invalid Pensions and Maternity Bonus are the most liberal in the world. In 1917, 93,672 persons were receiving old-age pensions, and 26,781 enjoyed invalid pensions, representing a total expenditure of £3,573,380. The average fortnightly pension was then £1 4s. 3d. In the same year, 132,407 claims for the maternity bonus of £5 per child were paid, the total amount being £662,035.

All industrial workers in Australia have access, through their organisations, to Wages Boards or Industrial Arbitration Courts established by the States, or to the Commonwealth Industrial Arbitration Court for inter-state disputes. In no other country have conciliation and arbitration between employers and their workers been developed to such an extent as in Australia. In the United States they are practically unknown. In Great Britain, before the war, Wages Boards were confined to a few industries in which sweating was notorious—though some industries had devised conciliation machinery out of their practice of collective bargaining. The position in Germany was similar. The extent to which the various Boards and Courts, provided under Commonwealth and States legislation, are availed of is very great.* The number of persons working under State awards alone in 1918 was 569,000, while the number of agreements filed in Australia was 349.

While there are fairly frequent eruptions of dissatisfaction with the system of arbitration amongst the workers—sometimes issuing in strikes, sometimes in doctrinaire criticism—it can hardly be doubted that the majority greatly appreciate the material benefits which the system has conferred upon them. This is shown by the large majorities recorded in trade union ballots on the question, and the persistence with which the workers turn from

* See "Commonwealth Labour Report," No. 9, pp. 108 and 113.

the new love of "direct action" to the old love of arbitration. Sociologically examined, however, the case for the system does not seem so favourable.*

The nationalisation of industries and services has made more progress in many directions in Australia than in other countries. Though the standard of efficiency and the cost of State enterprises come in for very severe and largely merited criticism, it is likely that they will be steadily extended in the future, particularly in routine and less speculative industries. The railways are owned by the State, while in some States other branches of transportation are owned and controlled by the Government. The Commonwealth line of steamers, acquired by the Federal Government as a war measure, at a cost of about £15,000,000, is being steadily augmented by purchase and direct construction. Western Australia and Queensland, under Labour Governments, have extended State ownership in many new directions. In Queensland the Government has added insurance, butchers' shops, fish shops, and other side lines, to its activities. The Nationalist Government of New South Wales is not far behind—with its State trawlers and fish shops, brickworks, bakery, timber mills, and so on. In most cases the Governments compete with private enterprise. On a purely profit and loss basis, State undertakings in Australia cannot be adjudged a success, though that is not the fairest test to apply to them. Their bugbear is the casualness and consequent inefficiency with which many of them are run. The General Post Office of the Commonwealth is probably the most inefficient and expensive of all Government services in Australia. Australians have yet to effect the transition from social welfare to social efficiency. In their lack of capacity for big organisation, the wastefulness of their State enterprises, their want of punctiliousness and responsibility in serving the public, and their disregard for up-to-date methods

* See below, p. 24.

of production, they provide the conservative with much justification for his allegations of inefficiency against Australian democracy. The moral value of State Socialism lies in the implicit recognition which the policy of nationalisation conveys of the duty of the State to care for the interests of the whole people. The extreme backwardness of municipal enterprise in Australia bears the less favourable testimony that local government has not been developed to any great extent. Australia suffers badly from over-centralised government, with the consequences of a lack of local civic spirit and over-concentration of the population in a few large capitals. Nearly half the people of New South Wales and Victoria live in the cities of Sydney and Melbourne, which are amongst the largest in the world.

The vital statistics, as might be expected, clearly reflect the social superiority of Australia over other countries. The comparative statistics of the birth-rate, death-rate and infant mortality given below are remarkably favourable to the Commonwealth. As in most other countries, the birth-rate has fallen in recent years—a concomitant of prosperity and a rising standard of comfort.

The following are the statistics of the birth-rate (number of births per 1000 of mean population), death-rate (number of deaths per 1000 of mean population), and infantile mortality (number of deaths under 1 year per 1000 births registered):—

Country	Year	Crude Birth Rate	Crude Death Rate	Rate of Infantile Mortality
Australia	1918	27.3	10.7	59
New Zealand	1915	25.4	9.1	50
France	1912	19.0	17.7	78
United Kingdom	1916	21.1	14.6	91
Canada	1915	24.2	12.0	102
Japan	1913	33.3	19.5	150
German Empire	1913	27.5	15.0	151
European Russia	1909	44.0	28.9	248

Changes During the War.

In common with all other countries, Australia has experienced a considerable change in outlook during the war. Her sense of nationhood has been greatly intensified by the glorious achievements of the Anzacs in Gallipoli, Palestine, France, and many a more obscure field. Not only is her pride in her splendid army justified, but her whole policy of raising the people to a high level of comfort has been magnificently endorsed by the qualities exhibited by her soldiers. Never in history has there been so convincing a demonstration of the efficacy of good food, comfortable homes, shorter hours, higher wages, open-air life, universal education and political freedom. The case for progress by improved environment has received unexpected support from the deeds of Dominion armies, whose soldiers are the only ones in the world with a consistently and universally high standard of comfort. No better challenge could be offered to those pseudo-scientific pessimists who would determine the future of the race by a strained and non-human application of the laws of heredity. Whatever hereditarian dogmatism may say about the laws of natural selection and survival of the fittest, Australia has demonstrated beyond question the supreme and infinite potentialities of social environment, and she is but on the threshold of the new order.

The most profound changes in outlook during the war must be dated from the referenda on Conscription in 1916 and 1917. By a considerable majority, the people rejected Conscription for overseas service on both occasions. Even the Anzacs largely voted against it. Thus the Australian army was the only volunteer force remaining at the end of the war. The numerous cross-currents of opinion and influence which the conscription issue set in motion make it difficult to analyse the results. But we may safely consider that, despite the selfish interests, the sentiment of women and hereaved

persons, the disloyal elements of Sinn Fein, the I.W.W., and other revolutionary or pacifist bodies, the largest single factor in the negative decision was the native repugnance of Australians to compulsory military service beyond the Commonwealth. That it was not due to general disloyalty or war-weariness is shown by the crushing defeat of Labour in the Federal elections held in May, 1917, a few months after the first conscription referendum, when the newly-formed coalition of Liberals and conscriptionist Labourites, led by Mr. W. M. Hughes, the Prime Minister of the Commonwealth, gained a large majority. Labour fared similarly in all subsequent State elections, except in Queensland. These events showed that the vast majority of the Australian people remained the loyal, moderate Radicals that they were before the war.

Within the Labour Party itself, however, great changes were taking place. The split caused by the conscription controversy, when the Official Labour Party expelled the Prime Minister (Mr. Hughes), the Premier of New South Wales (Mr. W. A. Holman), and practically all the rest of their ablest leaders, has remained permanent. The changed temper and outlook of the Australian Labour Party will best be shown by a brief recital of Labour history during the war.* The two greatest strikes in the industrial history of Australia, the growing pacifism and revolutionism of Labour organisations and conferences, and the One Big Union movement are the salient evidences of this change.

Industrial Unrest During the War.

The new outlook was clearly reflected in the Labour Press, whose publications are, unfortunately, not of a very high order of journalism. Political organisation and concentration on party success at the polls have made the Australian Labour Party as prone to wire-pulling, intrigue and

* For the history of the Labour movement up to 1914, see Chapter IV.

manœuvring as the older parties. The quality of its candidates has steadily deteriorated in recent years. The war greatly strengthened all the influences making for industrial unrest and the advocacy of violent and disruptive measures.

*As a feature of our modern social system industrial unrest is more than a century old. Fundamentally, this unrest is the expression of the revolt of the wage-earning classes against conditions imposed upon them by capitalistic industrialism. The increasing concentration of workers and employers into highly organised and mutually hostile camps is indicative of that cleavage between the two great economic classes which the Socialist calls "the class war." But such a broadly general statement hardly explains the special causes of industrial unrest within the last few years, and is still less helpful when we consider the temper and policy of the working class of Australia as recently displayed. Beyond question one of the causes of unrest is the rise in the cost of living. Since 1905 "effective wages" in Australia—allowing for cost of living and unemployment—have been either at a standstill or decreasing. During the war they fell heavily.

The prevalent unrest, however, cannot be accounted for by these facts alone. The continued existence and violence of industrial disputes has proved puzzling to many observers, even when resident in the Commonwealth. They point to the evident fact that the conditions of labour, including wages, are far more favourable to the worker in Australia than to his fellows in any other part of the world. The standard of comfort is admittedly high, the power of Unionism very great, all of which advantages are enhanced by excellent climatic conditions. Why, then, it is asked, should the workers be unsatisfied? Those who take this view fail to understand the present stage of development reached by the Labour movement in Australia, or

* See "Round Table," Australian article, December, 1916.

to give sufficient weight to the present policy of Labour. Many historical instances can be quoted to show that a period of prosperity and power is more likely to be a period of unrest than a time of sordid misery and destitution. The men most likely to rebel are those who find themselves arrested in their progress towards a higher standard. Such has been the position of the Australian worker in the last twelve years. Add to this the facts that popular education has raised the working class to at least a constantly progressing standard of knowledge, that industrial organisation and the acquisition of political power have given them possession of paramount authority, and we go far to account for the phenomenon. The Australian workers have passed beyond the stage at which they revolt against economic pressure almost without consciousness of its meaning, but simply from a vague understanding that the time has come to strike out for an improvement. Now they act from policy, with a deliberate and self-conscious endeavour, not merely to maintain the existing standard of life, but to elevate it by an indefinite number of increments to wages. This is clearly shown by the fact that most Wages Boards have to consider continual applications from the same industry for new awards. This tendency is accentuated by the fact that Trade Union secretaries now spend much of their time as advocates before Wages Boards, and are naturally inclined to justify their existence by working for fresh awards. This process maintains a more or less permanent state of friction between employers and workers. It may, indeed, be said that the peculiarly Australian method of bringing about industrial peace largely achieves the opposite end by inducing on both sides a highly organised system of offence and defence, which possibly makes as much for war as for peace. Moreover, it is not sufficiently remembered that whatever the machinery devised for industrial conciliation, if it does not fully satisfy one side or

the other, trouble will ensue. It is beyond hope that the workers will ever reach finality in their claims for increments of wages or that the employers will ever concede their demands without a struggle. This general observation is greatly reinforced when we come to consider the defects of the machinery of arbitration which arouse the hostility of the workers. The most fruitful cause of discontent in this connection is the amount of delay in the issue of awards by Wages Boards. These delays may not result directly in strikes, but they create the atmosphere conducive to industrial dispute, and occasion a feeling of irritation which breaks out in a strike if the award granted falls far below the wishes of appellants. Then, again, the highly technical grounds on which after protracted inquiry many of the judgments of the Commonwealth Arbitration Court are based prove exasperating to the majority of workers, who see only the plain issue between an increase in wages or improvement in conditions and an adverse verdict. Another frequent cause of unrest is the fact that awards are generally made to operate for a period of three years. When a delay of another year is added by the Wages Board, it can easily be understood that the period between two awards wears out the patience of the workers. Further, the awards frequently cover only one section of an industry or a class of labour. The awards applying to different sections are continually expiring and coming up for renewal at different times. It is often too much for the temper of one section to see their fellows enjoying an increased wage, when they may have to wait twelve or eighteen months before the revision of their award. All complex industries are exposed to this danger.

The conflict and overlapping of Commonwealth and State awards has been the cause of a great deal of unrest for some years. The ill-defined spheres of the two jurisdictions have made inevitable a great number of inequalities in the awards. Such

conditions inevitably encourage strikes. The tendency of the Commonwealth Court to give higher awards than State Courts has caused a multiplication of industrial disputes, purposely made inter-State in scope, so as to provide the technical condition under which the workers may secure an adjudication by the Commonwealth Court. Further, many people contend that it is the general tendency of Industrial Courts to unsettle the mind of the worker by offering him a constant inducement to agitate for increases in wages.*

Apart from dissatisfaction with the working of the system of industrial arbitration, there are several familiar and constant causes of dispute that need little more than a passing mention. The invasion of Trade Union privileges and the menace to working-class solidarity account for the great majority of these. The growth of solidarity amongst the workers is evidenced by the number of disputes due to alleged victimisation, and the employment of non-unionists. These cases are mostly small and local, but they contain elements of serious disturbance. Absolute preference to unionists is more and more insisted upon by industrial Unions, and is likely to continue to be a fruitful cause of trouble. Long before the war, the introduction of unskilled labour into various trades caused many strikes.

Not the least important cause of increasing industrial unrest in Australia is the great political success achieved by the Labour Party in the constituencies of both State and Commonwealth. This factor operates most powerfully in New South Wales, which was under Labour government for

* The critical review of industrial arbitration contained in this chapter is in no sense a reflection upon the eminent judge who is President of the Commonwealth Court of Industrial Arbitration. Few critics, however, discriminate between deficiencies in the Act and faults in the system. The work of Mr. Justice Higgins has been, in the writer's opinion, despite serious defects in the Act, of signal and lasting service to Australia and humanity.

several years. There is no doubt that the acquisition of political power has increased the assertiveness of the industrial classes. They are more apt to demand concessions and improvements when their own representatives are in power. Things economic seem to them easy of alteration, and they do not hesitate to demand the most drastic changes.

It remains only to mention one other development which tends towards the increase of industrial disturbance. The growing split between the Industrialists and the Parliamentary party in the Labour movement is due to the dissatisfaction of the more energetic portion of the rank and file with the moderate policy of the Parliamentary Labour Party. The Industrialists, being by nature militant, have long influenced the Unions towards more emphatic assertion of their claims. The revolutionary organisation known as the Industrial Workers of the World used every opportunity to foment the causes of trouble.

The Railways Strike.

The first great industrial upheaval that can be attributed to the changed temper of Australian Labour was the great strike of railwaymen in Sydney in August, 1917.* The strike began with the Amalgamated Society of Engineers and other ironworkers in the Government tramway and railway workshops in Sydney, ostensibly through the introduction by the Railway Commissioners of a card system of recording processes of work with a view to reducing them to terms of cost. Negotiations were brought to an abrupt end by a 24 hours' "ultimatum" from the men. A few days later the majority of the men in the railway and tramway departments came out, and during the next fortnight one union after another declared a sympathy strike, until most of the important industries were practically at a standstill. Railwaymen, wharf

* See "Round Table," March, 1918, Australian article.

labourers, coal-miners, seamen and firemen, gas workers, slaughtermen and butchers, and many minor unions entirely ceased work, while practically all others refused to handle goods declared "black," as having been previously handled by non-union labour or as being destined for Government use. Another evidence of the disturbed conditions was the large daily procession of strikers through the city. The stoppage of industries with an inter-State sphere of action, together with existing unrest throughout the Commonwealth and the extension of the "black" doctrine, caused the strike to spread to all States. The Federal authorities, however, left the State Governments unfettered to grapple with the situation.

The Government of New South Wales proved unyielding in dealing with the strike during the ten weeks of its duration. The men demanded the withdrawal of the card system before resumption of work and immediate inquiry into all their grievances. The Government insisted upon an immediate return to work, promising that after three months an inquiry into the working of the card system would be held, and that if the report were unfavourable it would be abandoned. This being rejected, they treated the strike as an organised rebellion, both in its defiance of constitutional authority and its callous neglect of the pressing needs of war-time. A Volunteer Service bureau was set up in Sydney, at which were enrolled several thousands of men, mainly from the country districts, who were provided with camping grounds in various parts of the city. These volunteers, with the aid of the remnant of the employees, maintained a limited and gradually improving railway and tramway service. Other industries in more or less degree were provided for. Even a limited coal supply was furnished by the efforts of amateur coal-miners, Parliament having passed an emergency Act permitting the use of such labour. This prompt and determined action, supported by exceedingly strong public feeling and increasing distress

among the families of the workers, forced the Unions Defence Committee to accept the Government's terms. The original strikers returned to work, and after some further negotiation the miners, wharf labourers, and finally the seamen, also resumed. But when volunteers desired to remain in the work they had undertaken they were kept on, and consequently many of the strikers found themselves still out of their jobs.

The Government and the general public regarded the grievance against the card system as a mere excuse, covering a deliberate attempt on the part of the Labour leaders to bring about an industrial defeat of a Government over which they had failed to gain a victory at the polls. It was held that the industrial and political leaders of the Labour movement had long been awaiting an opportunity for an upheaval, and that this petty dispute seemed to them to provide the convenient occasion. It is very difficult to determine exactly the part played by the card system. The Government, like employers generally, were convinced of the existence of a policy of "slowing down" systematically pursued by the men, as well as of a good deal of loafing, and were determined to check it. To the rank and file, on the other hand, the card system appeared not the means for checking "slowing down," but a step towards the general introduction by employers of a pernicious system of "speeding up," facilitated by the presence of war conditions. Ignorant and exaggerated talk about the introduction of Taylorism from America, through the card system as a first instalment, was widely believed, though the Labour Press and many of the leaders must have known perfectly well that similar card systems were already in use in many industries in Australia and elsewhere without injury to the workers. There is, however, little doubt that psychological conditions were favourable to the reception of suspicion by the men. The attitude of the workers towards the social system leads them to attach to particular measures of the employers a significance

which is out of all proportion to their actual content if they are considered by themselves. Some of the hostility to the card system was almost certainly caused by frequent references on the part of the Railway Commissioners to the excellences of railway administration in America; and there were complaints concerning the management of the men in the workshops. The existence of alarms and even of grievances may, however, have furnished the occasion rather than the cause of the strike. Undoubtedly some of the leaders of the men were spoiling for a fight. They believed they could wipe out their political defeat by industrial action through a strike. Yet it seems to be certain that the Unions Defence Committee did not wish the strike to spread indefinitely, and it was due to weak rather than over-bold leadership that the area of dispute was so greatly extended. There were contradictory indications. In some cases strikes were called by leaders without a ballot in defiance of union rules. On the other hand, the general body of railwaymen, the wharf labourers, and the slaughtermen came out against the advice of the Committee. The spread of the strike was due, in fact, much more to the industrial and political solidarity of the rank and file than to energetic leadership. Only a few unions refused to come out, and even they made levies on behalf of the strikers.

So far as the strike is traceable to the condition of labour organisation and the state of mind of the workers the situation of Australian politics must be held largely responsible. The workers and their leaders were genuinely surprised at their defeat in the New South Wales election, and this was speedily followed by defeat at the Commonwealth election. They themselves estimate that at least 25 per cent. of the Unionists voted for the newly-formed National Party led by Messrs. Holman and Hughes, who had been recently expelled from the Labour Party for supporting Conscription. This political motive of the strike was frankly confessed by some

of the leaders in New South Wales. It also influenced, in varying degrees, the minds of the most class conscious of the rank and file. Desire for revenge and recovery of power in the community was accompanied by an over-weening confidence in the minds of industrial extremists due to their belief in industrial as against political action, and to finding themselves in control of the unions in place of the "political" leaders whom they had expelled. They found ready material in the irritated and suspicious minds of the Trade Unionists. At the same time, it is very easy to exaggerate the extent to which deliberate policy and systematic preparation were responsible for the strike. One fact that points to the conclusion that there was very little deliberate preparation is the exposure of the inefficiency of the leaders in the management of the strike. There were various factors in the situation unfavourable to such an enterprise. The volume of employment tended to shrink. Owing to the lack of shipping, large stocks of wool, wheat and meat had accumulated. Increased cost and scarcity of materials was affecting every industry. The financial position of the unions was very weak, owing to unemployment, loss of members, and expenditure on the anti-Conscription campaign. The time of year was favourable for drawing workers from the country. The correct conclusion seems to be that the workers were quite ready for a strike, as were the leaders also, but nobody had thought out any plan of organisation; all trusted to solidarity, and for the rest the movement was allowed to progress by its own momentum. Evidence of the lack of control by the leaders is furnished by the contradictory applications of the "black" doctrine. Some ridiculous incidents occurred, the same commodity often changing from "black" to "white," and *vice versa*, several times in its precarious journey.*

* Commodities that were declared "black" must not be handled by union labour.

Another aggravation of the conditions which led to the strike was the award by a judicial arbitrator, twelve months previously, under emergency legislation, of the demands of the coal-miners after a big strike. It was widely felt that such an easy surrender gave the men an exaggerated sense of power, which largely accounts for the abounding confidence with which they entered upon the struggle. Another contributing cause was the rise in the cost of living, resulting, of course, in increased stringency in working-class homes. Moreover, the knowledge that while prices were high foodstuffs in abundance were available in Australia and large quantities of wheat had been destroyed by plagues of mice was a source of grave irritation amongst the workers. The fact that all the stores were under contract to the Imperial Government was no satisfaction to the less thoughtful. Whether enemy influence was stimulating trouble cannot be said with certainty. The increase in strikes in essential industries certainly had a most serious effect upon Australia's share in the conduct of the war. Enemy agents could, of course, do effective propaganda without the workers being conscious of their presence. At the same time, it is regrettable that allegations of disloyalty and susceptibility to German bribery were brought against the strikers without evidence or qualification. No doubt a small percentage of them were actually disloyal. But it is just as certain that the vast majority, though careless and wanting in a sense of responsibility regarding the war, were quite innocent of any disloyalty or corruption. At the Commonwealth elections the combination of Liberals and of Labour men following Mr. Hughes adopted the term "Nationalist" for their designation, and came to be known as the "Win-the-War Party" among their supporters. The assumption of this title by one party, with its obvious implication, was in itself a source of irritation, though the Labour Press subsequently found some satisfaction in applying it derisively to the Ministry and its

supporters. But the frequent claims to a monopoly of loyalty tended, naturally and most unfortunately, to give to professions of loyalty some party colour and to provoke counter professions. This tendency was aggravated intensely by the strike, the constant reference to the volunteers as "loyalists" and to the strikers as "rebels" and "disloyalists" being a gravely irritating factor in the situation. While any division of the political parties by such titles as "Win-the-War" and "Pacifist" respectively is false and misleading, it is true that to the present Labour Party naturally gravitated all the elements of disloyalty and pacifism, and the whole Party was lamentably wanting in a realisation of the injury done to the cause of the Allies by their irresponsible stoppages of industry. On the other hand, the public and the employers were far too apt to be impatient of all industrial unrest in war time, whatever the cause. There are two sides to the wage bargain. The worker's legitimate grievances must not be neglected. The employer does not need to strike to secure his redress. On the other hand, Australian institutions offer peculiar facilities for the investigation of grievances, and it is often difficult to justify the men's deliberate breach of agreements entered into in the Arbitration Courts, or the thoughtless neglect of the higher interests of the country and humanity which such action implies.

The Outlook of Labour.

The Australian Labour movement suffers from an inferior newspaper Press. The tone and outlook of its principal periodicals are intensely prejudiced, while their actual misrepresentations in making out a case equal those familiar enough in party journalism. The Labour Press generally wielded but little influence before the Conscription Referendum. With that came its opportunity, and it used it very effectively. The same bitter and aggressive spirit which marked its conduct of that campaign is still at work fomenting all causes of

industrial unrest and political agitation. It seldom contains any articles marked by deep thought or of an educational character. It is devoted almost exclusively to operating upon the minds of the workers as an irritant, so as to intensify bitter class consciousness. The tone of its personal allusions is generally vindictive.*

Another serious disadvantage of the working class is that all their important decisions and movements are conditioned by a state of mind which suffers from all the defects of mass action. Whereas all groups and associations in other ranks of society enjoy a better education and more opportunities for deliberation, and therefore are much more likely to arrive at well-considered decisions, the workers are practically always exposed to the ignorance, prejudice and hastiness of crowd psychology. In ordinary times they suffer from the apathy of the mass, and in times of excitement from its irresponsibility and fanaticism. Thus the organised workers are generally at the mercy of the agitator and the junta.

Though the immediate causes of industrial upheaval reveal much that is fundamental to the analysis of industrial and political conditions in Australia, there are still more important factors of a general character, an understanding of which is essential to the student of Australian sociology. The Australian workers have enjoyed a long period of political power. The lavish expenditure of public money by Labour Governments, the want of understanding of large interests and public policies and of social responsibility, natural in the circumstances imposed upon their class, have caused a

* But the Labour Press is by no means to be considered more partisan or less public-spirited than the Australian Press generally. It can, indeed, be trusted to expose abuses and plead the cause of the less fortunate in society in a way that other journals seldom do. Australian newspapers are commercial to the last degree, and the vast majority are definitely anti-cultural. We suffer badly from the entire lack of independent newspapers. Australia is probably the most Press-ridden country in the world.

feeling amongst the workers that government is easy, and that the most sweeping changes can be effected with little thought. To these causes also may be attributed that excessive belief in equality common to advanced democracies. The Australian worker is as firm in his belief that the social millennium is easy of accomplishment as in his belief in his own worth and in his right to the economic benefits enjoyed by the more fortunate or more able of his fellow-citizens.

This also accounts in part for the intense class hostility, possibly more acute in Australia than in any other place in the world. Comparatively good conditions have not prevented the Labour movement from adopting the Marxian theory of the class war. There is within the movement a large and growing minority of irreconcilables whose influence has recently increased to an extraordinary degree. Large quantities of syndicalist literature have been imported from America. A well-known trade union secretary sent to America some time ago for literature. He received a ton of I.W.W. pamphlets, and declares that they completely destroyed his authority with his union. The war greatly increased the influence of this revolutionary school of thought, for it provided numerous apparent proofs of the truth of the doctrine of the class war. The trial and conviction of twelve members of the I.W.W. in Sydney for sedition and arson aroused a remarkable degree of sympathy amongst unionists entirely opposed to the methods of the I.W.W.; it was enough for them that "these men suffered for their class," a significant indication of the strength of the idea of class solidarity. It is not enough to say that there is no room for the philosophy of violence in a country like Australia, where the worker enjoys good conditions and frequently holds the reins of government. His more fortunate situation whets his appetite, without providing him with the new social system in which he believes. What the ordinary member of the middle class fails to understand is that the

doctrine of the class war is sufficiently close to the facts of modern industrialism to offer a plausible explanation of all its abuses in one simple generalisation — capitalism. The Australian worker's class consciousness is deep enough to lead him to see the force of the Marxian call to world-wide labour solidarity. Certainly it is grotesque for the imported revolutionary to preach the same *jihad* in Australia as in America or England; but once the worker has become fully class conscious nothing is easier than to persuade him that the capitalist system is the same all the world over, and that in spite of all the boasted reforms of Australia he is still a wage-slave; there are degrees of slavery, but it is slavery still. Thus Marxianism appeals to the ordinary worker through its simple theory of exploitation, and to the more intellectual through its internationalism and its abstract economic reasoning. It is curious that this growth of a class-consciousness, based on internationalism, exists together with an extraordinary ignorance of the world outside Australia. And yet the one assists the other. In Australia there are few of those many influences which modify extremes and exaggerations of opinion in England. There is no cultured or leisured contribution to the stream of thought and art. There is no complex system of civilisation to give variety and distraction to our society. Issues are too clear cut. The position and outlook of Australia are exceedingly insular and her domestic life very parochial. Everybody's material interests are so obviously involved with those of everybody else; we live too close together. Again, there is no recognition of such striking distinctions between the ability of the best intellects and that of the average worker to give pause to the assumption of equality. Especially is this true in the political sphere, where the continued lack of men of great distinction is remarkable in all parties. The Labour Party suffered in particular by the fact that the split took away its ablest men in State and

Federal politics, and among the leaders of official Labour to-day in Australia there are none who can approach in capacity of mind and force of personality the leaders of the British Labour Party. Further, the Australian worker has an even narrower conception of the State than the average Marxian. Not only is his outlook narrowly industrial, but he uses political action as merely another form of industrial action. He neither knows nor cares that politics is wider than economics. It is to him but one part of the great fight against capitalism. If high ability, coupled with the statesman's breadth of view is absent from Labour counsels, there has grown up in the last few years a chicane that will seize every tactical advantage and opportunity in a way that the most astute politician of the old parties might envy. This tendency has been fostered by the arbitration system, which turns Union officials and men into special pleaders, keenly on the look-out for the smallest chance to make a point in their favour.

The social and economic theory of the Australian Liberal, on the other hand, has all the defects of a commercial and individualist tradition. His natural tendency to repudiate responsibility for the condition of life of the workers has been intensified rather than mitigated by the paternal intervention of the State on the worker's behalf. If the employer admits generally the right of the worker to good conditions, he so frequently opposes any particular efforts to maintain or better those conditions as to induce the belief that he still regards the worker merely as an item in the cost of production and not as a citizen exercising his social function. The striker is a rebel, to be dealt with by the strong hand. Of the worker's psychology the majority of employers know practically nothing. Such employers fail entirely to understand that the most deep-seated cause of industrial unrest throughout the world is the feeling of the worker that his personality has no opportunity in the present industrial system of expressing itself, and his self-

respect is deeply injured by his being treated as an inanimate tool. This feeling is even stronger than the sense of economic insecurity. Though such insecurity is by no means so prevalent in Australia as elsewhere, it is within the experience of practically all Australian workers. But far more powerful is the determination of the worker to be satisfied with nothing less than a full human share in the control of industry as in the control of government, and the growing belief that this will not be realised without fundamental social changes—a belief that is greatly reinforced by the worker's exaggerated interpretation of equality. Always opposed to profit-making in any form, he is able to point to the increased prosperity of many capitalists as a direct result of the war. Though he generalises with gross unfairness over the whole field of capitalist enterprise, it is not surprising that he exhibits intense impatience when talk of loyalty and sacrifice differentiates against his class, which suffered like others in the war. A further aggravation of class division during the war was due to resentment in Labour circles at the number of prosecutions of workers for industrial offences in 1917 and 1918, which to them have a decided colouring of political bias. Under the Unlawful Associations Act, many members of the I.W.W. were imprisoned for six months; three of the Sydney strike leaders were prosecuted for conspiracy, though they were not convicted owing to a disagreement of the jury. Many persons were also put in gaol merely for waving the red flag! However divided may be the rank and file upon economic doctrine, they are absolutely at one in regarding these cases as demonstrations of class bias. Furthermore, the use of the censorship to examine the correspondence of the Trades Hall during the Sydney strike greatly increased the belief in a political and capitalist conspiracy against Unionism.

Australian Governments are alive to some of the dangers exposed by recent events. A Conference

was held, in 1918, of representatives of the various States and the Commonwealth for the purpose of dealing with the overlapping of industrial awards. Unfortunately, it was abortive. Other measures of amelioration foreshadowed by the Government of New South Wales were a scheme of Unemployment Insurance, a basic living wage, and a bonus for every child after the third in a family. It is unlikely, however, that for reasons already indicated, any mere improvement in governmental machinery or in wages and conditions will go to the root of the industrial trouble. The workers are certain to go on organising towards the One Big Union. The employers show an equal propensity towards closer union. There could be no greater curse to Australia than the deliberate fomentation of the already bitter antagonism between the two sides. The prevailing narrowness of outlook and want of social responsibility can be reformed partly by education, but chiefly by means designed to carry the worker through his apprenticeship in playing his part in the control of industry. There are so many State enterprises in Australia that the Governments are offered an excellent opportunity for experimenting with some of the measures proposed by the Reconstruction Committee appointed by the Prime Minister in England. It would be comparatively easy to draw the workers into a share of the control of the purely Labour side of Government enterprises. It might be possible, also, to base upon the Arbitration Courts a similar system of co-operation between employers, workers, and the State for the management of industry. The greatest barrier to any such constructive scheme as that of industrial parliaments outlined in the Whitley Report is the hostility between the two classes. But unless some positive effort is to be made to set up a workable scheme of co-operation more extensive than the experiments hitherto made, the outlook for Australia is dark indeed.

The One Big Union.*

The Trade Union movement in Australia, in common with that of most other countries, has for the past twenty or thirty years made repeated endeavours to create a closer form of Unionism, national in scope and solidarity. During 1919 an effort, much more strenuous and co-ordinated than any in the past, has been made by many of the leaders of Unionism in Australia to establish what is generally known as the One Big Union. This movement has a very special significance and character. Since the establishment of the Commonwealth, in 1900, Trade Union Congresses have been held in 1902, 1907, 1913, and 1915, while, during the war, several special conferences have led up to the One Big Union Conference held in Melbourne in January, 1919. So far, every scheme for national organisation has broken upon the rock of the sectional interests of Craft Unionism. At the same time, the process of amalgamation or absorption, especially under the ægis of the Australian Workers' Union, has proceeded in every State, in spite of the keen opposition of many Craft Unions. Hitherto, four schools have been observed in keen antagonism to one another—(1) The A.W.U., which aims at a kind of amalgamation by absorption of smaller Unions into its own body; (2) the Federationists, who aim at a looser union of all the organisations, retaining their autonomy except in the larger affairs of federal interest and scope; (3) the supporters of Craft Unionism in its original form, with only such occasional combination for united action, or permanent association for discussion, as the general needs of the Labour movement seem to demand; (4) the advocates of absolute and complete amalgamation of all Unions in Australia, involving the abolition of Craft demarcations in favour of one comprehensive industrial union, divided for administrative purposes into Trade Departments, but governed by one council for Australia. All these movements were

* See "Round Table," September, 1919.

in existence and easily distinguishable before the war. In 1919 the fourth assumed apparent predominance, though in reality the conflict between them all became more violent than ever, but in a very different milieu of ideas from that obtaining four years previously. The preamble and constitution of what has been entitled by its promoters, "The Workers' Industrial Union of Australia," exhibit a somewhat sensational departure from the outlook and policy which have hitherto characterised Australian Trade Unionism.

The preamble of the O.B.U., based, as it obviously is, upon the Communist Manifesto of Marx and Engels, and such of its descendants as the preamble of the I.W.W., is a far cry from the platform of the Australian Labour Party, with its programme of legislative reforms and the nationalisation of industry. It was difficult at the outset to estimate the volume of support which the Trade Unions were prepared to give to this revolutionary movement. But it is highly significant that the One Big Union should have achieved even its actual measure of success in a country where Labour has often held and will hold again the reins of government, where there is less economic poverty and a more even distribution of wealth than anywhere else in the world. The cumulative influence of the various causes of industrial unrest during the war must be borne in mind as one of the factors in the One Big Union movement. Their main result has been a great intensification of class-consciousness and the development of an internationalism hitherto almost unknown amongst the rank and file of Australian Labour. That the culmination of these developments should be so drastic as the O.B.U. preamble suggests needs, however, some further explanation, and the various forces bearing upon the O.B.U. are of sufficient general interest to warrant an attempt at their analysis.

The membership of Trade Unions in Australia was about 600,000 in 1918. The vast majority of the members, as in the Labour movements of most

other countries, take no active interest in industrial or political affairs. Undoubtedly they remain the mildly class-conscious, non-socialistic majority, who generally vote Labour, but many are liable to vote otherwise on special occasions, and all vaguely favour progressive legislation and non-violent industrial action. In a ballot on the extinction of their Craft Unions in favour of the O.B.U. these men would almost certainly vote against any such comprehensive and revolutionary scheme as that of the Workers' Industrial Union. The fear that their special interests would receive but scant attention in a wider organisation greatly influences them, and is well grounded in the experience of both Australian and British Unionism. Further, the discussions in Labour circles in all States soon showed strong opposition to the revolutionary character of the Big Union scheme. That this must be so is clear from the fact that apart from a natural preference for moderation, the majority of Australian workers have a strong vested interest in the social stability of their country. More than half the total population of the Commonwealth have deposits in the Savings Banks, the average amount per depositor being over £40, as against less than £16 in Great Britain. Again, large numbers of workers own the houses they live in, and possess other forms of property usual amongst the working-class, such as funds in Friendly Societies, Insurance Companies, Building Societies, and co-operative trading enterprises. While such workers may, on occasion, be persuaded to enter upon a strike, or to take part in a general industrial upheaval, it is highly unlikely that they would lend support to such a social revolution as that contemplated by the O.B.U. More important still, perhaps, is the fact that every Union in the Commonwealth can have ready recourse to Wages Board or Industrial Arbitration Court for the redress of grievances, or to secure new awards fixing wages and other conditions of labour. In spite of frequent expressions of opposition to the arbitration system within the

Labour movement, the Australian Workers' Union, in a ballot in 1918, on the subject of arbitration *versus* direct action, showed the remarkable majority in favour of arbitration of 15,500 in a total vote of 30,000.

More definite opposition to the O.B.U. than what was likely to be offered by the rank and file appeared at once amongst the Craft Union officials, the Australian Labour Party—the official political organisation of Labour throughout the Commonwealth—and the Australian Workers' Union, by far the largest Trade Union in the Commonwealth. The opposition of the Craft Union officials, more precise than that of the rank and file, includes both those who are satisfied with the *status quo* and the supporters of a federal organisation of Unions. Many of these Trade Union secretaries did not hesitate to express their strong disapproval of the extremist programme of the O.B.U. That they had some cause for dissatisfaction was shown by the somewhat truculent language used towards them by certain leaders of industrial unionism, who referred to them as "traitors in their midst." Such advocates of the O.B.U. who were antagonistic to more moderate Unions who would be likely to reject the scheme. More active and constructive opponents were the federationists, who actually put forward in the conference the constitution of a federation of Australian Unions. Labour politicians and the organisers of the Australian Labour Party manifested increasing opposition to the scheme, partly because of its tacit repudiation of the Labour platform, and partly owing to its revolutionary purpose and its own separate political pretensions. The Adelaide Trades and Labour Council rejected the scheme by a narrow majority. This significant event was due to the combined opposition of the A.W.U.—very strong in Adelaide—and the Labour politicians. In other States, also, the officials of the Labour Party expressed themselves very strongly against those socialist advocates of the O.B.U. who were antagonistic to

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the political Labour movement. The combined opposition of the A.W.U., which regards itself as the O.B.U. in being, and the Australian Labour Party, which is satisfied with political action backed by Trade Unionism, has proved very formidable. It was assisted by the forces of disintegration and conflict inevitable in such an ambitious scheme, and also by the number and variety of the revolutionary "hangers-on" to the O.B.U. These latter call for special comment.

The social and economic disturbances inseparable from a world-war, particularly the two Conscription referenda, coupled with the repercussions of the Russian Revolution and industrial unrest in England, provided a golden opportunity to all extreme socialists and revolutionaries in Australia to gain a hearing and sympathy that normal times would never vouchsafe to them. Further, the almost complete exclusion of Labour from political power in Australia during the war deprived the workers of the principal channel for their thought and activity, and so increased the forces of social unrest. At such times, discontent with Parliamentary institutions is apt to become articulate in a change of faith towards industrial and revolutionary action. In the general welter the voice of the International Socialist sounds like the clarion of inspired leadership, especially when he speaks through the existing organisations of Labour. Thus small and insignificant bodies, like the Socialist Labour Party and the International Socialist Party, secured the acceptance of an appreciable measure of their doctrine of industrial unionism by grafting themselves upon the organised Labour movement. This development has been assisted by the general spread of the ideas of Syndicalism and Guild Socialism, which commend themselves to all who are dissatisfied with State Socialism, parliamentary institutions and orthodox Trade Unionism. Nevertheless, the very conglomerate character of this combination of small sects renders its association precarious, and introduces

disruptive elements into the O.B.U. Several of them issued "One Big Union" newspapers, declaring one another bogus and heretical in the accustomed manner of the doctrinaire. The Socialist Labour Party preaches one kind of politics and industrialism, the Australian Labour Party advocates the reverse, while the I.W.W., the International Socialists and the Social Democrats cry aloud that theirs alone is the gospel for the workers.

The details of organisation of the "Workers' Industrial Union of Australia" showed a curious lack of imagination which alone made its success problematical. The distribution of control amongst Grand Council, Provincial Councils, and Local Committees, and the grouping of the members into industrial departments, divisions, sub-divisions, sections and mixed sections was more elaborate than practical. Not only did it overleap all the old and well-known difficulties of demarcation, but it was copied with slavish imitation from American pamphlets written by members of the I.W.W. and the Socialist Labour Party, with little attempt at adaptation to Australian conditions. The O.B.U. leaders, as is clear from their use of American terms and industrial "slang," and their constant reference to the Russian Soviets, entirely fail to grasp the enormous differences between a highly industrialised country like America and the very different situation of Australia, and the absurdity of importing the Russian Soviet into our national economy.

"The Workers' Industrial Union of Australia" received very partial support from the Trade Unions throughout the Commonwealth, and the most violent opposition from the Australian Workers' Union, whose hostility alone was enough to prove fatal to the present movement. The federal council of the A.W.U. issued a manifesto to its members, announcing the entire rejection of the O.B.U. scheme, and criticising it in most scathing terms. The Council further declared that the

A.W.U. was an advocate of the One Big Union ideal, but only upon Australian lines suitable to the circumstances and needs of Australian industrial unionism.

One or two of the larger industrial unions, such as the Victorian Railways' Union, have, nevertheless, declared themselves in favour of the One Big Union. But throughout the Commonwealth as a whole, the Unions proved generally apathetic, distrustful or hostile.

The complete failure of this particular One Big Union movement now seems inevitable, and will surprise no one who follows the industrial politics of Australia. The revolutionaries are a mere handful, and though occasional outbreaks and widespread strikes seem to prove the contrary, the average Australian worker is no more than a moderate radical, and inevitably returns to constitutional courses.

If the organisers of the O.B.U. showed a want of imagination and social responsibility, no better can be said of the employers and their representatives in dealing with this movement, particularly through the daily press. It is impossible to urge any valid objection to the efforts of the workers to promote greater solidarity, political or industrial, in their class. The neglect of the legitimate interests of the workers by the well-to-do in all countries is one of the main causes of the present social unrest. This is no less true of Australia than of England. The better conditions enjoyed by the Australian worker have been gained in the teeth of the strong opposition of the employer. The remarkable enlightenment exhibited after the war by British employers in the treatment of the workers had practically no parallel in Australia. The extraordinary class bitterness is probably traceable, as we have seen, to closer industrial organisation on both sides, the success of Labour in politics, and the better education and conditions of life of the workers. Existing methods no longer meet our industrial needs. The worker demands a share in

the control of industry and security from economic accident. Nothing is happening in Australia to give him either, so it is not surprising that short cuts prove somewhat attractive to him.

Labour and Peace.

Other evidence of the great change in the temper and outlook of Australian Labour leaders was offered in the Inter-State Conference held at Perth, Western Australia, in June, 1918. In the previous year, the Labour Conference of New South Wales had adopted a Peace programme which contained a number of points very similar to those which ultimately constituted the famous "Fourteen Points" of President Wilson. The Australian Labour Party and its Press became more and more insistent upon "Peace by negotiation." Its denunciation of "commercial rivalry, territorial greed and dynastic ambitions," its advice to "the workers of every land where similar conditions exist" to emulate the example of the people of Russia "with the same magnificent courage and determination," are eloquent of the change of spirit that the new leadership of Australian Labour had brought about. In no other country was the Official Labour Party pacifist. Further proof of the change is shown in a number of recommendations purporting to be "necessary amendments to democratise the defence system and safeguard civil rights and industrial organisation." The most important are the abolition of military training "for persons not entitled to vote," and the confining of it to four years from the earliest voting age; training to be in employer's time; the abolition of all military oaths, salutes and distinctions between ranks; the retention of their arms by the citizens; and "proclamation for compulsory service must contain an express declaration of immediate peril to Australia, and must within fourteen days be laid before both Houses, either of which may veto it."

Planks were also added to the official platform of the Party emphatically declaring against

Imperial Federation and re-affirming the right of unqualified Australian autonomy.

"Complete Australian self-government, as in the British community; no Imperial Federation; policy and administration to be decided on the advice of Australian Ministers only, subject to control of the Australian Parliaments. All bills passed by Parliament to receive assent on the advice of Australian Ministers; there shall be no surrender of Australian self-government. The Australian High Court to be the final court of appeal. There shall be a cessation of the practice of recommending Australian citizens for honours."

It may be taken as certain that Australian autonomy was never more secure than when those resolutions were passed. But their significance lies in the fear which they express of the invasion of Australian rights by old-world capitalistic and diplomatic interests. In so far as those influences are to be feared, the resolutions probably express the sentiments of the great bulk of the Australian people. They are, however, typically Australian in their refusal to face out what is involved in complete self-government, and in their naive negligence of the fact that Australians still do not enjoy self-government in the supreme department of foreign policy, which they continue to leave in the hands of the Imperial Government. The Labour Party grows more and more content with these negative cries, and any adherent who ventures upon refinements is at once suspect and apt to be expelled. Since the numerous expulsions following upon the Conscription split, heresy-hunting and intimidation have been very common. The established machinery of the Caucus, the pre-selection ballot, and the annual conference made this stifling of independence an easy matter. Party discipline is always most rigid when the doctrinaire is in control. Solidarity very readily turns to slavery. In these circumstances leadership of high quality becomes impossible, and opportunism is at a premium.

The Second Maritime Strike.

What will probably be known, in the economic history of Australia, as "The Second Maritime

Strike," began at the end of May, 1919, and lasted for over three months. It resembles the first maritime strike of 1890 in little except that it brought to a sudden and disastrous standstill the shipping trade of the Commonwealth, with the natural consequences of widespread unemployment and distress, great public inconvenience and critical conditions in the industrial and political world. But the Seamen's Strike of 1919 differs fundamentally in its objective from that of 1890, since it was no mere claim for the recognition of Unionism, or an attempt to gain certain industrial reforms, but an openly avowed repudiation of industrial arbitration in favour of "direct action," with the further implication that the political labour movement stood condemned as having shown itself incapable of securing the industrial reforms sought by the working-class. In 1890 the Political Labour Party of Australia was in its infancy. Trade Unionism was still agitating for conditions of recognition and industrial amelioration through collective bargaining and constitutional enactment. The generation that has intervened between the two strikes has witnessed phenomenal social progress and advanced industrial legislation. It has seen the remarkable growth of Trade Unionism and the political labour movement, resulting in the frequent triumph at the polls of the cause of Labour. But to-day the movement is definitely split upon the world-wide controversy between direct action and parliamentary government. The issue had not been raised primarily by the Seamen's Strike. It was becoming prominent even before the war. But, as is the case with all revolutionary action, only conditions of extraordinary hardship and social disturbance can afford revolutionism any chance of progress in a country wedded to constitutional measures and enjoying moderate and well-distributed prosperity.*

* As in the case of the One Big Union, it was the abnormal conditions created by the war that made the character of the upheaval possible.

The violent speeches of the President and Secretary of the Seamen's Union showed them to be aware of the unusual advantage which the abnormal conditions provided.*

The President of the Federal Arbitration Court, Mr. Justice Higgins, had made an award to the seamen as recently as December, 1918, raising the minimum rate for an A.B. seaman from £11 a month to £12 5s. In giving that judgment, the President made a clear statement of the relative positions of seamen in various countries.†

The Judge then went on to point out the additional factors of the submarine warfare, and the enormous increase in the American mercantile marine. But these observations had little influence with the seamen, who were mainly impressed with the high cost of living, the risks from the influenza epidemic, and the enormous profits made by the shipping companies. In April, 1919, they presented to the employers a new log of great length and complexity, whose main points are summarised below.

* In the particular demands of the seamen there was nothing extravagant. Their chief points were—(1) £14 a month for able-seamen—equivalent to an advance of 35s. per month, with similar increases for ordinary seamen, firemen and other grades. (2) A maximum six-hour day in port. (3) The carrying into effect of the provisions of the Commonwealth Navigation Act 1912 with regard to accommodation, with additional provisions for cleaning, attendance, light, bedding, etc., and the application of the menu of the Commonwealth Line of steamers to all ships. (4) Special payments for overtime, working cargo and trimming coal. (5) An insurance guarantee of £500 to be paid to the next-of-kin of seamen dying at sea, and for wages to a crew during sickness.

† The following extracts from his remarks will make the position clear:—

“What has really stirred the Union to make such a claim is an abnormal rise in rates for seamen in America as well as in Great Britain. On the Pacific coast, as well as on the Atlantic coast, the rate for A.B.'s is now £15 a month, as contrasted with the Australian rate of £11, and when the men meet in ports the contrast is disturbing. But . . . it appeared from the best figures available that the price of food had increased from 1914

As most of the inter-State shipping was still under Government control, as in war-time, it was with the Shipping Controller that the Union's representatives opened negotiations. The Controller referred the Union to the Commonwealth Arbitration Court. The reply of the men was to give the usual twenty-four hours notice and leave the ships. As the existence of an industrial dispute enables the Arbitration Court to act, the President granted the request of the Commonwealth Government for a compulsory conference of representatives of both sides. As a result, the seamen's representatives agreed to undertake a plebiscite of their members to determine whether the ships should be manned, and the whole dispute referred to the Court for arbitration. The true character of the policy of the President and Secretary and some other members of the Federal Council of the Seamen's Union now became clear. The Secretary, Mr. T. Walsh, began a series of violent speeches against industrial arbitration and in favour of direct action. It seems to have been chiefly his influence which made the ballot completely ineffective, only very few of the men voting at all. Mr. Justice Higgins then made an important statement from the Bench.*

in Great Britain by 118 per cent., in the United States by about 63 per cent., whereas in Australia the increase (food alone) is about 28 per cent., so that a man who has a family living in Australia can provide for it with less money than in these other countries."

* In the course of this, His Honour said:—

"I adhere to the policy that a union is not to have arbitration and strikes, too. . . . When asked why they had not approached the Court for the consideration of these claims, they stated that they understood that the Court had not power to grant them, and when I reassured them as to the power of the Court . . . they frankly said that they did not believe in arbitration, but in 'direct action.' Some of the representatives, however, were strongly in favour of going to arbitration. . . . The curious thing is that under the constitution of the Union the settlement of disputes by arbitration is the Union policy, and this policy is now being ignored.

His remarks greatly incensed the extremists, who thereupon devoted not a little of their vitriol to a Judge whose keen sympathy with the claim of the workers for a higher standard of living has never been in question.

In the meantime, the ever-increasing army of the unemployed, and the known opposition to the extremists of a large number of trade union and political leaders, induced the Trades' Dispute Committee of the Melbourne Trades' and Labour Council to intervene in an effort to bring about a settlement. Their negotiations with the Government on the one hand, and the Seamen's Council on the other, led to proposals being laid before the Acting-Prime Minister, Mr. W. A. Watt, who, however, could not see his way to accept them, but declined to make them public. It may be added that throughout the dispute the Federal Cabinet showed very praiseworthy restraint, making no statement likely to inflame the minds of the men, and taking no notice of the irresponsible advice offered by some sections of the Press to call for volunteers to man the ships. Undoubtedly such action would have precipitated immediately a general strike throughout Australia. At one time it appeared possible that the seamen's advocates would themselves secure such an extension, but the refusal of the coal-miners to strike rendered such a development

As I diagnose the position, a few active, intelligent men have got control of the machinery of the Union, men who probably have had their minds saturated with writings from outside countries, men who hold the fixed theory that nothing substantial can be gained without extreme courses. There seems, indeed, to be a touch of pedantry in applying the counsels of desperation, imported from abroad, to a country like Australia, which is struggling toward a better system for securing justice all round. . . . I can only say that if the employers grant the claims under such circumstances, they and the community will rue the day—as in the case of the coal trouble. Those who are in favour of direct action will point to the gains as achieved by their pet policy; and the same kind of 'stand and deliver' demand will again be made, and soon."

impossible. On 7th July the compulsory conference was resumed, but again ended in failure, the seamen's representatives declining to advise the men to return to work until their main demands were conceded, declaring that "the men were determined to see the thing through." The wild utterances of the seamen's Secretary at last provoked the Government to prosecute him, and he was heavily fined for breaking the Arbitration Act in advising the men to strike. He replied by aggressively repeating his offence, and challenging the Government to imprison him. He also declared that the workers would throw the City of Melbourne into darkness, and that he could get ample funds from America, Germany, and Austria. This conduct left the Government no alternative but to prosecute him a second time, as a result of which he was fined £200 and committed to prison for three months. After protracted negotiations, the Melbourne Trades Disputes Committee succeeded in bringing about an Inter-State Conference of Trade Unions, which procured from the Government definite proposals for a settlement. These included the immediate manning of the ships, a conference with the Union, the ratification of its findings by the Arbitration Court, and the reference of matters not agreed upon into the Court. These terms were completely rejected by mass meetings of seamen in Sydney and Melbourne, and the full demands, with the addition of the release of Walsh, were reiterated with emphasis. The most remarkable feature of the Melbourne gathering was, perhaps, the utter refusal to hear the delegates from the Trades Hall Disputes Committee. This caused great offence at the Trades Hall, and increased the strength of the movement against the extremists. In Adelaide both the seamen and unionists in general, including the political leaders, had expressed themselves emphatically against direct action.

In Sydney there was still stronger evidence of cleavage between the moderates and the extremists in the Labour Party. In the political Labour Con-

ference of New South Wales, held during the strike, the long-threatened split between the reformers and the socialists definitely occurred. The latter separated off to form the "Industrial Socialist Party of Australia." The leaders of the new movement are the extreme industrialists in the Trade Unions and the Political Labour Party. Without hesitation, the executive of the Political Labour Party expelled the recalcitrant members, and declared the new party "bogus."

The strike came to an end on 26th August, 1919. After much fruitless bargaining by the seamen of Melbourne and Sydney, and many resolutions and counter-resolutions, the men accepted the terms of the Government, and at once proceeded to man the ships. The Government remained firm in refusing to alter its terms, particularly in regard to the release of Mr. Walsh. The round table conference provided for met promptly, and practically all the men's demands were conceded. The result was a distinct defeat for direct action, and a confirmation of the policy of industrial arbitration for the settlement of disputes. But it is unlikely that Australia will escape similar great upheavals in the immediate future. All the conditions point to a succession of outbreaks.

The Social Verdict.

In Australia everything is in the stage of transition. We are, so to speak, in the Middle Ages of the higher social evolution—perhaps many other nations are in the Dark Ages of industrialism. Australians have possessed themselves of the instruments of freedom, without acquiring delicacy in their operation. They have liberalised their institutions, without infusing them with high intellectual and spiritual quality. Their approach to the larger democracy has also aggravated class bitterness. The easy fellowship of Australian democracy has caused such a lowering of the dignity of public life, that authority itself is weakened, and manners are coarsened for want of a

high model. In their haste to cast off the address of servility, Australians have been reluctant to acquire the address of mutual respect. So intent have they been upon their domestic problems, so insistent upon the repudiation of old-world standards, that they have developed no world-outlook, and are unprepared for the world-responsibilities now suddenly thrust upon them. They do not realise that an empty continent cannot enjoy splendid isolation amid teeming populations, without powerful friends.*

The greater equitability of distribution has not led to any serious consideration of the problems of production. The system of industrial arbitration is no substitute for social re-construction, nor is class-consciousness a legitimate excuse for lack of schemes of co-operation. The practical opportunism of Australia has achieved much success, but the lack of a social logic finds her unready when the old measures will not meet the new situation. Social*legislation without a social philosophy will not satisfy the clamant needs of a war-shaken world. This void is thus the more readily filled with the imported doctrines of Russia and America, the historical and social antipodes of Australia. Not only in their thought, but in their action also, Australians are loth to assume any personal responsibility.† Over-reliance upon Parliament and legislation, the lack of local government, and a constitutional love of leisure, have accustomed them to be satisfied with delegating their responsibilities, reserving to themselves the privilege of condemnation and repudiation of the elect when

* The number of persons per square mile in various countries is as follows:—

Germany.. . . .	324.80	Union of South	
United Kingdom	378.92	Africa.. . . .	12.63
France.	191.74	New Zealand ..	11.08
Japan	296.35	Canada	2.17
United States ..	34.30	Australia	1.69

† They love a sporting gamble, but dislike to shoulder tedious obligations.

things go wrong. Thus the Australian type of self-government is wanting both in local intensity and width of range. The community spirit is growing only slowly within the national spirit. For the same reason the Australian will tolerate inefficiency and neglect in public departments such as would cause a great outcry in other countries.

In the educational sphere the same transition is noticeable. Primary education is widespread and good, but higher education is only slowly receiving fair attention. The absence of any large class of highly-educated people accounts for a certain intolerance to abstract ideas which is apt to show itself at odd times. Literature of the highest kind is read by only a very small section of the community, while books of a moderately good but orthodox kind are probably more widely read than in any other country. This condition gives to thought of a purely academic quality far less influence than in Britain. In agencies for social welfare also—whether it be in health, education or philanthropy—Australia is backward. The lack of serious destitution largely accounts, of course, for the lack of welfare agencies. But this has caused Australia to fall behind in the application of the most scientific methods of the saving of infant life, the stamping out of infectious diseases, and so on.

In the sphere of religion and morals the transition again appears. The Australian has cast off the outworn theologies of last century and the humbug of early Victorian religious cant, but he has only developed in its place a non-rational scepticism which is utterly behind modern thought. The re-valuations of the spiritual elements of human life, which have so fruitfully occupied the last thirty years of religious speculation, have failed to reach him. The Australian, therefore, continues to treat with gentle derision a clerical type almost defunct, and a theology long ago discarded. The same over-eager repudiation of the old, in favour of a not altogether healthy new, is seen in the unfortunate moral laxity that has followed the

rejection of the pruderies and stern restrictions of our puritanical forbears.*

Any attempt to set out the social credit and debit of a nation is apt to draw attention mainly to the debit side. But if the foregoing statements are carefully balanced, it will be seen that the virtues of Australian democracy are far in excess of its defects. If the tasks of democracy were not so difficult, the aspiration to achieve them could not be sublime. If it be possible to sum up the quality of a civilisation in one generalisation, it might be said that Australia has risen to a higher level of social orthodoxy than any other nation, that she has carried to a nearly logical conclusion the implications of nineteenth century reform, and that thereby she has demonstrated the almost infinite possibilities of a changed social environment. But she has offered no new way to the new social order. She has given the world a new hope, but not a new gospel. She has provided the Socialists and Eugenists with strong proofs of their contention that we can cultivate the super-race, if we will but furnish the social conditions of its development. When we consider how far below this sociological standard the nations of to-day fall, we can readily forgive the crudities and immaturities of this young nation advancing towards the light. It does not realise the incalculable boon of freedom from warfare on its soil, and the entanglements thereby implied. But these very advantages of history make its contribution to human progress of greater value.

A common standard of civilisation is difficult to attain. But whatever basis of calculation may be adopted, it seems to one who has sympathetically observed the Australian people for many years that they have far surpassed all other nations in their anxiety to utilise the wealth and power of the State

* The freedom with which the Australian slang-word, "wower," meaning a Puritan or "kill-joy," is applied to all and sundry who condemn moral laxity, is eloquent of the Australian love of "having a good time" at all costs.

for the common good. There is nothing on which men are so intolerant as their judgment of the social habits and outlook of other nations. The judgment of visitors to Australia, based as it is on the outlook they have imported from countries whose standards are repudiated by citizens of the Commonwealth, is necessarily prejudiced and inadequate. It is my considered judgment that Australians are the finest human raw material in the world, and that, if they are blessed with leaders worthy of them, they will achieve the ideal Commonwealth, the New Atlantis of modern civilisation. The crudities and imperfections that have been pointed out in this chapter are to be reckoned with their virtues and achievements. The balanced result surely points to the estimation of Australia as one of the great nations of the world, and potentially the greatest of all.

CHAPTER II.

POLITICAL SYSTEMS OF AUSTRALIA.

By Professor W. Harrison Moore.

PART 1.—THE GOVERNMENTS, THEIR FUNCTIONS, AND STRUCTURE.

§ 1. The Federal System of Government.

The *Commonwealth of Australia Constitution Act 1900* recites the agreement of the people of New South Wales, Victoria, South Australia, Queensland, and Tasmania to unite in "one indissoluble Federal Commonwealth under the Crown" and under the Constitution thereby established, and provides that the Colonies (with Western Australia if she join in the agreement) shall accordingly be united by proclamation of the Crown upon a day appointed. The proclamation was made on 17th September, 1900, and on 1st January, 1901, the appointed day, the Commonwealth of Australia came into being. Western Australia having by this time accepted the Constitution, the Commonwealth included the whole six colonies.

The foundation of the Commonwealth and the Constitution upon an Act of the Imperial Parliament checks all argument as to the legal origin of either; we are thus spared some of the speculations which political communities of this type appear to invite. It enables us also to recognise the

§ This chapter is based upon a section written by the author for the Federal Handbook published in connection with the Australasian meeting of the British Association in 1914, and acknowledgment is due to Mr. G. H. Knibbs, C.M.G., the Editor of the Handbook, for permission to make use of the section.

agreement of the colonies as at any rate the *causa sine qua non*; such recognition in no way impairs the unity of the Act of Constitution or suggests dangerous rights of secession. In complete accordance with the doctrine of colonial self-government laid down for Australia in 1850, the union and its conditions (subject to some alteration of the provisions concerning appeals to the King in Council) were framed in Australia itself, and the Imperial Parliament in passing the Statute which gave them legal form acted as the supreme constituent authority in the Empire.

An extensive literature exists on the subject of the several unions of States, and no definition of a federal union could be offered which would not challenge criticism. For purposes of description, however, it may be said that a federal government exists in any political community where the powers of government are divided between two authorities—a central authority extending to the whole territory and population, and a number of particular authorities limited to particular areas and persons and things therein—each of which is equipped for its own purposes without recourse to the other, and which are so far independent of each other that neither can destroy the other or impair its powers or encroach upon its sphere.

If it is asked why the Australian colonies preferred a federal to an incorporate union, the division to the concentration of power, the most obvious answer lies in the fact that where several States, independent of each other, come together to form a new political community, there is, in the absence of any imperative force, a strong bias against complete self-surrender and absorption. The same cause influences the form which federalism is likely to assume—in its most natural shape, the constituent States will not only preserve their own identity, but will reserve the general powers of government and will commit to the new federal authority specific powers only.

This tendency will be the greater if the union is formed under the auspices of the existing Governments and of State politicians. It may be overcome if the union is achieved either by or in the presence of force, as in Germany, where the Empire of 1870 was founded on the military supremacy of Prussia, whose hegemony was stamped upon the Constitution. In South Africa, the deliberate preference for an incorporate union was due to a variety of conditions, chief amongst which were that the fundamental divisions of South African politics transcended colonial boundaries altogether, and (it may be surmised) that the pathway to union was beaten out by men whose position in the country enabled them to view the conditions with detachment from local prepossessions and connections.

That the Canadian Constitution gives the residuary power to the Dominion Parliament and only specific powers to the Provinces is no exception to the rule. In addition to the fact that in the years 1864-1867, when the "confederation" was forming, the United States was a neighbour flushed with the spirit of American unity, is the fact that the Dominion Constitution was not merely nor mainly a union of the British North American colonies; it was, so far as concerned its principal members—Ontario and Quebec—a dissolution of the incorporate union of Upper and Lower Canada and the substitution of a federal bond.

In Australia, all these exceptional conditions were absent. There was no imperative external pressure—the questions of the Pacific and of a White Australia had not then assumed the importance which later events and a wider outlook have given them. Union was a governmental convenience rather than a necessity, designed for the attainment of certain obvious and practical purposes, more apparent to men of political experience than to the multitude. In such circumstances, it was natural to build on existing foundations, to leave things unchanged except so far as change should be

necessary to secure the practical ends in view. It is not necessary to lay stress upon mutual jealousies, and the impossibility of obtaining union upon other terms. To do so is to suggest that the Constitution was to its framers a *pis-aller*, an acceptance of the second best; and there is no reason for doubting their belief that the great interests which they had in view would be served by a government with powers definitely limited and pointing specifically towards those ends better than by one which was burdened with the miscellaneous functions of a Parliament with plenary powers. An ardent national spirit and widespread national consciousness have been the growth of the years since federation was accomplished: the product of a sense of common external interests and possible dangers on the one hand, and, on the other, of more clearly defined differences in political thought and aims.

The position, as it presented itself to federalists, cannot be described better than in the resolutions of the National Australasian Convention of 1891:—

“That, in order to establish and secure an enduring foundation for the structure of a Federal Government, the principles embodied in the resolutions following be agreed to:—

- “1. That the powers and privileges and territorial rights of the several existing colonies shall remain intact except as to such surrenders as may be agreed upon as necessary and incidental to the power and authority of the National Federal Government.
- “2. No new State shall be formed by separation from another State, nor shall any State be formed by the junction of two or more States or parts of States, without the consent of the Legislatures of the States concerned, as well as of the Federal Parliament.
- “3. That the trade and intercourse between

the federated Colonies, whether by land carriage or by coastal navigation, shall be absolutely free.

- " 4. That the power and authority to impose Customs duties and duties of Excise upon goods the subject of Customs duties, and to offer bounties, shall be exclusively lodged in the Federal Government and Parliament, subject to such disposal of the revenues thence derived as shall be agreed upon.
- " 5. That the naval and military defence of Australia shall be entrusted to federal forces, under one command.
- " 6. That provision shall be made in the Federal Constitution which will enable each State to make such amendments in its Constitution as may be necessary for the purposes of the federation."

These principles were emphasised in the Federal Convention of 1897-9.

A clause in the draft of 1891, making the Governor-General of the Commonwealth the channel of communication between the Imperial Government and the States, was omitted in the final scheme; and the Canadian plan, which gives to the Dominion Government the appointment of the Lieutenant-Governors of the Provinces and a veto on provincial legislation was carefully avoided. The object of the Constitution was to mark out the sphere of the Federal Government, to ensure the completeness of the power of that Government in its sphere, and to leave the rest—the States' Constitutions, their frame of government, and their powers of government—unchanged.

§ 2. Commonwealth and State Functions.

In the sphere of Federal authority, precedence must be accorded to the matters of defence and fiscal relations. Here the State services of Defence and Customs were wholly transferred to the exclusive authority of the Commonwealth Parlia-

ment. Subject to the constitutional provision of inter-state free-trade, power was given to make laws with respect to external and inter-state commerce. Two other State services, closely connected with external commerce—lighting and buoying, and quarantine—were also transferred, as was the post-office, with the telegraphs and telephones. Of the 39 subjects granted to the Commonwealth Parliament, some, like "external affairs," "immigration," "naturalisation and aliens," point to the established need of a single voice to speak for Australia in her external relations. Others, such as trade-marks and patents, banking and bills of exchange, go some way towards bringing "commercial law" into federal hands. Currency and coinage are always regarded as fittest for a central authority, and in Australia the power of the Commonwealth Parliament is fortified by prohibitions to the States. Weights and measures are federal for like reasons. Marriage and divorce are suggested by warnings from the United States. Alone amongst the miscellaneous powers, "invalid and old-age pensions" and an arbitration power to deal with industrial disputes passing the boundaries of any one State, were calculated to make any wide appeal to political feeling.

From the nature of the case, it is not possible to define the States' powers by enumeration. But the residuary power includes such important matters of administration as the lands, public health, mining, railways, education, police, and local government; the whole law of property and most civil rights; all trade and commerce, except foreign and inter-state commerce; and all industry and industrial relations except so far as they may be brought into the Commonwealth sphere of conciliation and arbitration by the existence of some form of dispute extending beyond the limits of any one State. The State power thus embraces those social matters which in all modern countries are arousing the deepest concern, as well as those matters of public economy which in a new country engross the

greatest amount of public attention and constitute in ordinary times the politics of a dependency.

According to the view current at the time of the establishment of the Commonwealth, the task which lay before the Government at the outset was no doubt a heavy one. The organisation of the transferred Departments carried with it the need for superseding the varying laws of administration of the States by an uniform law, work of an essentially departmental kind in which Parliament would concern itself but little, and the public not at all. Defence, on the other hand, called for constructive statesmanship, but in 1900 gave little promise of prolonged or keen political interest. Then there was trade and commerce, as to which the Constitution imposed on the Parliament the task of framing an uniform tariff for Australia within two years, and declared that on the accomplishment of that task, inter-state free trade should be established. The fiscal question was thus the burning question, which in the first instance defined the lines of parliamentary parties, ranged old opponents against each other in familiar contest, brought out old conflicts of interest, and, from the divergent tariff policies of New South Wales and Victoria, gave to the struggle something of an inter-state character. But even in regard to the tariff, there was a general desire to effect a settlement, and to relieve trade from the hindrance of a fluctuating policy. That matter settled, everything pointed to calm in the federal sphere, and there was room for reasonable doubt whether federal politics, when the first work was done and the glamour of the inauguration departed, would be sufficiently stirring to attract the more robust type of politician, or to command a live public interest.

The actual history of the Commonwealth has been very different from the anticipation. The sessions of Parliament have been as long as those of the States; its proceedings have been contentious enough to produce the closure in its various forms; Ministries have followed each other in rapid

succession—at the time of writing (January, 1919), the fourteenth Government of the Commonwealth is in office. Elections have stirred the depths of political feeling and have called out the most strenuous efforts of party organisation, with the result of raising the percentage of electors voting from 46.86 in 1901 to 77 in 1913; and the issues which have led to this public interest are exactly those which were regarded as outside federal politics. In several cases, the successful passage of an Act through Parliament has been only a stage in the conflict, which has been taken up in the courts, and eventually been passed on to the electors through proposals for the alteration of the Constitution so as to invest the Parliament with additional powers.

§ 3. The Courts and the Constitution.

The general principle of the division of powers between Commonwealth and State, as already stated, is that the Commonwealth received authority over certain matters specifically enumerated, while the Constitution reserved to the States the residuary power; the federal plan is that of the United States Constitution.

Federal government, with its division of power between two authorities, demands some method of settling the frontiers and determining the rival claims. It rests upon the assumption of a controlling law, and therefore a sovereignty above each of the governments concerned. In such a system government is in a peculiar degree based on law; as Professor Dicey has said, "Federalism is legalism." How that controlling law manifests itself in action will depend largely upon the history and traditions of a country; it does not necessarily, as the cases of Germany and Switzerland show, find expression in the arbitrament of the ordinary courts of law. But amongst people bred under the influence of the English common law, the control of the law has meant in Australia, as in America, the submission of the Constitution, with its defini-

tions of and limitations on authority, to the interpretation of the courts. In countries where the idea of law is more abstract, it may be possible to conceive a constitution existing in an atmosphere outside that of the courts, and yet with a legal and not merely a moral or conventional obligation. But though the British Constitution and its offspring know well constitutional rules which are not cognisable in the courts, they deny them the name of laws. That is law which is enforced in the courts; for that which is not enforced in courts, English legal thought does not readily find a name. Even in Germany, with a legal philosophy widely diffused through her government, the idea of law, unsupported in constitutional relations by the action of the tribunals, appeared to be giving way before the tendency of the self-determining legislature to augment its powers.

A system in which the courts of law are called upon in the course of their ordinary business to consider the validity of Acts of Parliament is strange to those who live under the rule of parliamentary sovereignty, and in communities whose constitutions were modelled on the Imperial Parliament the adjustment to a new order was not without some difficulties and heart-burnings. The principle, indeed, was universally accepted. The rule that Imperial Acts applying to a colony are of paramount authority was familiar enough; and it was obvious that if two legislatures with authority over the same matter spoke with a discordant voice, the courts could not give effect to the will of both, and must hold that one prevailed over the other. The occasions for such a conflict of Imperial legislation with colonial legislation under "responsible government" were, however, few. In the case of a federal constitution where the powers of the central Legislature were in general not exclusive, but concurrent with powers of the States Legislatures, such conflicts must be of constant occurrence; and the Constitution expressly provided that in such a case the laws of the Commonwealth should

prevail. In this class of case the task of the courts has been to determine what is inconsistency, a more difficult task than appears on the surface. But in order that a Commonwealth Statute shall prevail, or, indeed, operate at all, it must be "law," i.e., not merely passed by Parliament, but within the powers committed to Parliament by the Constitution. Inasmuch as the Constitution itself is an Act of the Imperial Parliament, it is a law of paramount authority to which the courts must give effect. Where it says that such and such a power only shall be exercised, the courts must give effect to the limitation, and treat any excess of the grant as *ultra vires*. Thus the courts have the more delicate task of interpreting and defining the limits of the powers of the Commonwealth as often as in any litigation before them any such power is invoked. Further, the Constitution, although it is not the origin of the powers of the States Parliaments, restricts their powers in various ways, and therefore the courts must consider whether acts of the States Legislatures or Executives are within the authority left to them by the Constitution. Lastly, a written Constitution is no more than a frame of government—a certain generality and breadth of description belongs to its very nature. "A Constitution to contain an accurate detail of all the subdivisions of which its great powers will admit, and of all the means by which they may be carried into execution, would partake of the prolixity of a legal code, and could scarcely be embraced by the human mind. It would probably never be understood by the public. Its nature requires therefore that only its great outlines should be marked, its more important objects designated, and the minor ingredients which compose those objects be deduced from the nature of the objects themselves" (*per* Marshall, C.J., *McCulloch v. Maryland* (1819), 4 Wheaton 316). British Statutes are characterised by a high degree of detail which invites the courts to a literal and unimaginative interpretation. A Constitution, on the other

hand, is brief, allusive, the expression of some clearly discernible principles of government. These have to be worked out in application, and their consequences cannot at the outset be foreseen. Actually, the implications of a Constitution are not less important than its explicit dispositions. Constitutional construction, therefore, involves a peculiar responsibility, not merely because of the importance of the subject, but because of the special nature of the task. The courts must adjust themselves to a new standpoint. The task before them resembles less the interpretation of an Act of Parliament than the development of the common law. In the case of a Federal Constitution, it has an analogy to the process by which large departments of the law have been built up to contain "the unexpressed intention of the parties" in contact.

It is obvious that such functions as these have a vast political significance, and a system which casts them on the courts raises several grave questions. Are judges with their training well-fitted for the determination of these matters? One advantage a man of large professional experience possesses: he is accustomed to a detachment from mere personal views and sympathies in his professional judgment and conduct. But something more is needful; in the words of Marshall, "the judge must mingle with the lawyer's rigour the statesman's breadth of view." In the region of implied powers and implied restraints the legal landmarks become faint; in the interpretation of some vague indefinite power, political battle cries are like sirens' songs. When great political issues hang on a judicial decision, the whole political interest of the community is ranged on the one side and the other, and by tradition the defeated litigant is not in a generous mood towards the court. Moreover, in making judicial appointments, Governments can hardly avoid giving some weight to the prospective attitude of the judge towards constitutional matters, and there is the temptation to subordinate unduly other considerations of fitness to this. The system is

obviously one which puts a strain upon the Bench, the Executive, the Parliament, and public opinion.

But it is easier to point to drawbacks than to suggest a remedy if the reality of Federal Government is to be preserved. The frank acceptance of political in place of legal control involves either the paramountcy of one of the Governments concerned or of some authority external to both. In the United States, this was impossible. In Canada, the system is mixed—both Dominion and Provinces are subject to legal control through the courts, while the Provinces are subject also to the political control of the Dominion Government, which may disallow their legislation. In Australia and Canada, there is the resource of submitting some, at any rate, of these great questions to the political control of the Imperial Government, which has the same power of disallowance; and at the beginnings of the Australian Constitution there was, in fact, a moment's hesitation as to the proper mode of working out some of the problems of federalism. The Supreme Court of Victoria, and the Privy Council on appeal, looked askance at the American decisions as political wolves in legal sheepskin, and, rejecting all implied restraints on power in law, sought to reconcile the plenary powers of a Parliament with that mutual forbearance which federalism demands, by reference to the political supremacy of the Imperial Government and the Imperial Parliament, as a means of preventing encroachment by the one authority upon the other. Perhaps the most notable decision of the High Court is that in which it rejected this easy means of avoiding responsibilities; held that the delimitation of spheres was a legal question as to the existence of power, and not a political question as to the proper use of powers; and declared that a view which would refer questions of every-day action to the supervision of the Imperial Government was a negation of that self-government to which all Australia was accustomed, and was totally inconsistent with the notorious purpose of

the Constitution to enlarge that self-government. It was in the same case that the High Court vindicated its own position under the Constitution as against what it deemed the encroachment of the Privy Council.¹

The constitutional importance of the High Court of Australia arises from the fact that it is the supreme court of appeal in Australia, and that on constitutional matters within Section 74 of the Constitution, no appeal lies to the Privy Council except where the High Court for special reasons certifies that the question is one which ought to be determined by the King-in-Council.

§ 4. The Development of the Federal Constitution.

The first important constitutional principle laid down by the High Court was that if either Commonwealth or State attempted to give to its legislative or executive authority an operation which would fetter or interfere with the free exercise of the legislative or executive power of the other, the attempt, unless clearly authorised by the Constitution, was invalid. This doctrine, first laid down in favour of the salaries of Commonwealth officers against the taxation of the States,² was applied to protect the States against the application of the Commonwealth Arbitration Act to disputes between the States Governments and their servants employed on the State railways.³ The second great principle was that, the Constitution having divided powers of Government between Commonwealth and States, the powers of the Commonwealth must be interpreted consistently with the maintenance of the division, and therefore if a particular grant of power to the Commonwealth would according to one construction extend in substance to nullify that division and to give to the Commonwealth a general

¹ *Baxter v. Commissioner of Taxation*, 4 C.L.R., 1087.

² *D'Emden v. Pedder*, 1 C.L.R., 91; *Deakin v. Webb*, 1 C.L.R., 585.

³ *The State Railways Servants' Case*, 4 C.L.R., 488.

paramount authority, it must be rejected in favour of a more restricted application, consistent with the general scheme. This principle was first explicitly enunciated in connection with what was known as the "new protection"—the policy of guaranteeing to the employees in protected industries the advantageous conditions which protection made possible. The difficulty was for the Commonwealth to accomplish this under a Constitution which left the regulation of industry to the States. By an ingenious use of the power of taxation, the Customs duties were in certain cases balanced by an excise, remissible on proof of compliance with specified labour conditions. In the High Court this Act was challenged by a taxpayer, and a majority of the court held it was *ultra vires*: in substance the Act was not one of taxation at all, it was a regulation of industry; and if the power of taxation sanctioned what had here been done the same device would enable the Commonwealth to regulate anything whatsoever, and so make the federal scheme illusory.¹ Developing the same doctrine, the court in subsequent cases emphasised the fact that in the region of commerce the Constitution which granted to the Commonwealth the subject of foreign and inter-state commerce, impliedly forbade it to regulate the domestic commerce of the States. The application of these doctrines was fatal to the attempt to establish the Union Label under the cover of a Trade Marks Act; to regulate the contracts of corporations under the Australian Industries Act; to establish a common rule affecting all employers in a particular industry under the Arbitration Act. It also limited the operation of the Arbitration Act in various respects, and in particular established that the Commonwealth Court of Arbitration in its awards was subject and not paramount to State laws. Finally, it limited the scope of the Commonwealth's power of inquiry by Royal Commissions to matters within the present

¹ *The King v. Barger*, 6 C.L.R., 41.

power of the Commonwealth Parliament, and prevented the inquiries extending to matters within the exclusive authority of the States. Most of these matters had been the subject of keen parliamentary contests, which included a severe questioning of their legality. In the High Court itself, after the number of justices had been raised from three to five, there appeared a sharp division of opinion on the Bench as to fundamental principles of interpretation, and the two new justices commonly dissented from the respect paid by the majority to the reserved powers of the States.

The differences on the Bench illustrate the peculiar difficulty of the Australian situation. The Constitution has two sources—one American and one British. The federal element in the Constitution is that which is drawn from America; and the essentials of federalism were developed in the Supreme Court of the United States in conditions which precluded any exaggerated regard for the acts of Legislatures as such. The principle of people's sovereignty imported that all Legislatures held their powers by delegation and upon a trust. The Constitutions, Federal and State, were full of express restraints upon legislative competence in the interest of individual right, and, apart from such provisions, the doctrine of natural rights affected (and continues to affect) legal as well as political thought. In Australia, most of these conditions were absent, and though the American model has furnished the federal relation in her Constitution, her Legislatures have the traditional attributes of British parliamentary institutions so far as these are possible in a non-sovereign community. Here, then, are two principles co-existing in the same Constitution. Each admittedly demands some concession from the other. The question is—how much? Which is the preponderating principle—federalism or parliamentary sovereignty? The majority of the High Court has considered that federalism is the governing principle, and has sought its guide

chiefly in the decisions of the United States, while recognising that in many matters there are differences which prevent the analogy from being perfect. The minority, on the other hand, has rested more on British traditions, and has relied on the principles laid down by the Privy Council in cases concerning immediately Governments either unitary in form or, like the Dominion of Canada, based on a different federation from that of Australia.

This has been the character of the legal contest. The political conflict has necessarily been waged in a less refined atmosphere.

On the policy of the "new protection," indeed, there was little difference of opinion. Free-traders and protectionists alike were in agreement that where the law secured a market for the manufacturer by high duties, the law should not leave the employees to a competitive wage. The question was as to the mode in which the aim should be attained. Already there were in all but one of the States authorities for determining fair and reasonable wages, who in considering what wages an industry could bear would take into account the extent of protection which the employer enjoyed against foreign competition. But here another industrial problem arose from the establishment of inter-state free trade. A State authority could fix wages only within the State, and employers there were exposed to unrestricted competition from other States in which the labour conditions might be less onerous. The fear was excited that either the least favourable conditions for labour might be the standard for regulation generally, or industry might flow from the States with high wages to those with low wages. Unsuccessful efforts to meet the situation through a voluntary surrender of limited but sufficient powers by the States to the Commonwealth were the contribution of Liberal policy towards the solution of the problem. Labour found in it a proof of the unity of Australian industrial conditions and based on it a demand for unlimited federal control.

Another important factor in the situation has been the Commonwealth Arbitration Court. Designed by the framers of the Constitution for dealing with the rare case of industrial crises of national magnitude, the Court came to be sought by the trades unions in preference to State machinery, and became the most active of the industrial authorities in the Commonwealth. The definition of its powers and functions has been the most contentious of the tasks of the High Court. Unable to limit the terms of the Constitution to the class of case originally contemplated, the High Court has yet to give effect to the fact that the Constitution does impose some limits on the jurisdiction of the Commonwealth Arbitration Court. In the result, distinctions become very fine; differences of opinion emerge in the High Court; and the discontents of those who find barriers impeding their access to the Arbitration Court are joined to a feeling of grievance and irritation at what is deemed the artificial treatment of great issues.

War, with its need for the concentration of authority in the hands of a central authority, in any case strains a Constitution. The modern wars of peoples, where everything is *ancipitis usus*, break down many distinctions upon which the division of powers in a federal Constitution is based. In the Commonwealth of Australia, the High Court gave the widest construction to the defence power. Holding that it was not limited to the raising of defence forces and the administration of the defence services, but extended to all matters which had for their object the security of the country, the court left little that in war time the Commonwealth could not claim as its power. In justifying what was, perhaps, the extreme power claimed—the fixing of the retail price of bread by the Commonwealth Government—the court was indeed careful to point out that many things may be within “defence” in war which would be outside it in peace. But a Government augmented as the Commonwealth

Government has been by judicial interpretation, is unlikely to fall back altogether to its former dimensions. Familiarity with the predominance and the all pervading activities of the Commonwealth may in law lead to a more generous interpretation, and in politics break down the resistance to extension of power by Constitution amendment.

§ 5. The Amendment of the Federal Constitution.

The most potent factor in the political development of Commonwealth power has been the democratic nature of the Constitution, so that men and classes aiming at great social and economic changes have seen before them an open way unbarred by the Legislative Councils in the States. The Labour Party came to concentrate its main efforts upon federal politics, to use or compel the use of federal powers for purposes which made the Commonwealth Parliament and Commonwealth elections the scene of the modern social and industrial conflict. The decisions of the High Court having marked out the limits of attainment within the Constitution, the amendment of the Constitution became the immediate objective of Labour politics and the "preservation of the Constitution" a rallying cry of their opponents.

The Labour Party, on assuming office in 1910, set themselves at once to free the Constitution from the limitations settled by the High Court decisions, and passed through Parliament a measure for altering the Constitution so as to bring under federal control all commerce and industry, including the regulation of commercial trusts, and the whole subject of labour and employment. A separate measure proposed to enable the Commonwealth to nationalise any business declared by Parliament to be a monopoly. The proposals were submitted to the electors by *referendum* in 1911, and were decisively rejected. In 1913 the proposals were again laid before the electors at the time of the general election, and were again rejected, though by slender

majorities only. In 1914, a Liberal Government being in office supported by the House of Representatives, the Labour majority of the Senate sought unsuccessfully to compel the submission of the proposals to the electors.¹

It has been said that the most important part of any Constitution is the provision for its alteration. Constitutions have been conceived as voluntary grants by the ruler, as compacts between rulers and people, as agreements of the people, and as direct expressions of a national will. A nation's concept of sovereignty is usually to be found in the provision for the alteration of its Constitution. In the Australian Constitution, the principles of parliamentary government, of democracy, and of federalism which run through the whole instrument are at work in the amending clause. Parliament has the sole initiative, and in this case must act by absolute majority. The possibility of disagreement between the Houses is provided for, and the provision differs significantly from that applicable to ordinary legislation. The ordinary deadlock machinery is available only in the case of bills passed by the House and rejected by the Senate, evidently contemplating conditions familiar in Cabinet Government. In regard to proposals to alter the Constitution, however, bills emanating from the Senate—the House of the States—as well as those originating in the House, have the advantage of the deadlock machinery. Moreover, that machinery in the case of Constitution alterations is far more simple than that applicable to ordinary legislation, for it dispenses altogether with the double dissolution. It is enough that a Bill passed twice in one House has been twice rejected by the other; in such a case it may be at once submitted to the electors for their approval. The reason for the difference in the schemes is that

¹ In December, 1919, similar proposals for the amendment of the Constitution for a term of three years or until the revision of the Constitution by a special Convention to be called in 1920, were submitted to the electors and rejected.

ordinary legislation is essentially a function of Parliament, and the reference to the people is made only as a last resort after the failure of all other methods of reconciliation. In the case of alterations of the Constitution, the people are not mere arbiters between the Houses; they are themselves participators in the Act. Federalism has invoked the "political sovereign"—the electors—to assume a part in the "legal sovereignty." It was the people of the Australian colonies who adopted the Constitution; without their approval no alteration in it can be made.

The alteration of a federal Constitution is a revision of a compact between the constituent States. It is, therefore, reasonable to expect some recognition of this in the machinery for approving such alterations. This, in Australia, is effected, as in Switzerland, in conjunction with the submission to the people. An alteration of the Constitution requires a national and a federal majority—a majority of the whole number of electors of the Commonwealth who have recorded their votes, and a majority of States, the latter ascertained by the votes cast by the electors in the several States for or against the proposal. The Parliamentary representation and the territorial integrity of the States are protected by the further provision requiring the assent of a State's electors to any alteration in those particulars.

The direct participation of the electorate in the act of amending the Constitution is no doubt a dethronement of Parliament. But the principle which governs the mode of alteration is in truth derived from parliamentary government. There is no attempt to see into the distant future, to provide by superior wisdom for generations which might not know so well how to govern themselves. The framers of the Constitution were themselves accustomed to the flexibility of constitutional arrangements; they were themselves the product of a dynamic age and society, well aware that rigidity was not the same thing as stability. They knew,

too, that while the people of Australia might accept a *regime* of law, that law must be consistent with their sense of self-government: it must no more be the dead hand of their own past than the decree of an external authority.

In America, the artificial majorities required by the Constitution and the inequality of population in the several States, combine to make large amendments in the Constitution difficult and create a problem which suggests desperate solutions. In the absence of amendment, the courts control the situation in a way which recalls the constitutional struggles of the seventeenth century in England, as even more do some of the remedies suggested. The judges are invited to make a more political and less legal interpretation; even to treat the Constitution as something greater or something less than a legal text—an enunciation of principles capable of indefinite modification in the face of changed social and economic conditions, and of changing political ideas concerning the relations of government to the citizen. Grave and responsible writers discuss, in ominous conjunction with these suggestions, plans for hindering the courts from pronouncing judgment against the validity of statutes, or for securing decisions favourable to their validity—special modes of constituting the bench; judicial appointments in relation to the power of over-ruling prior decisions; election of judges; a less secure tenure; removal by the Legislature or recall by popular vote, and replacement by “progressive” minds.

The Australian Constitution, by the ease with which it can be amended, leaves the courts no such final control. They are under no necessity to resort to bold or ingenious constructions to meet the political conditions of the country. If their decision is adverse to an Act of Parliament, it need be no more than a suspensory veto, which, if not in accord with the national will, can be readily set aside by an alteration of the Constitution conferring upon Parliament the powers desired. As

already stated, the appeals which have been made to the country to alter the Constitution as interpreted by the High Court, have not met with success.

§ 6. Imperial Relations.

The principle of responsible government was the division of functions between two authorities, each of which was answerable for its own sphere. The Colonial Government was solely answerable to its citizens for the internal affairs of the colony. Whatever touched the external relations of the colony—with the mother country, with other colonies, or with foreign States—was Imperial, which meant that it was in the hands of the British Government. Yet it was evident that in spite of the limitation of the colonial functions, some internal affairs might in certain contingencies assume an Imperial character; there must, therefore, be a reserve authority in the British Government of a controlling or supervisory kind. Attempts to state the division with legal precision were discouraged, and the scheme was consequently left free to develop through the course of political events. Time has done its work. The growth of the Colonies in population, wealth, and importance has been accompanied with a continually expanding sphere of self-government. One after another matters once deemed "Imperial" have been relegated to the Colonies, whose altered status has been recognised by distinguishing them as "Dominions." The alteration of their Constitutions is a right which in the Australian Colonies was recognised as early as 1850, and is conceded to every representative Legislature by the Colonial Laws Validity Act of 1865. By successive steps the self-governing Colonies have come to control their commercial relations with other parts of the world, whether within or without the Empire. The currency, marriage and divorce laws, the exercise of the pardoning power, the conditions of naturalisation, admission and expulsion from the territory, the care of native races, have all passed into self-government. In the sphere of commerce, the

Dominions are treated as distinct units, standing outside commercial treaties unless they assent to them, denouncing them when they think fit, and in substance negotiating with foreign powers. In matters of shipping, they exercise direct control over the coastal trade and over vessels registered in the colony, and the British Government has practically abandoned control for such representations as it might make, and make more effectively, to a foreign State. The Dominions maintain their own defence forces, and control them even on the high seas. In the case of political treaties, the Empire is necessarily treated as a single unit¹; but it is recognised that no treaty particularly affecting the interests of a Dominion shall be concluded without consultation, and the Arbitration Treaties of 1908 and 1911 and the Pecuniary Claims Treaty of 1911 with the United States went so far as to provide for the separate assent of any Dominion affected by any question to be referred to arbitration.

In practice, then, the Dominion of the twentieth century by no means confines itself to "internal affairs." Each has its own distinctive problems in relation to the world without it, and is busy fashioning a policy to solve them. The organisation of defence has been stimulated by a consideration of the special risks to which the situation and the policy of the Dominion exposed her. The old conception of "responsible government" is inadequate and seeks a new terminology and a new interpretation. Dependency on the mother country is superseded by the "voluntary co-operation" or "partnership" of the sisters; the "colonies" have become "the nations"; the Dominion's Ministers periodically assemble as "colleagues" of the British Ministers in an

¹ This section was in type before the Peace Conference, and there has not yet been time or opportunity to measure the full significance of the separate admission of the Dominions to the Conference, their membership of the League of Nations, and their acceptance of territories to be administered under a mandate from the Powers.

Imperial Conference, and are there admitted to the most secret matters of State. Where does all this tend? The consideration of this question belongs to another part of the work.

§ 7. The Structure of Government: The Legal Basis of Responsible Government.

In considering the structure of government, the States first demand attention, as being the earlier in time, and the schools of experience in which the framers of the Commonwealth Government learnt their work. In all other aspects than the federal, the experiences of the Colonies under responsible government so obviously govern the Constitution, whether for warning or for example, that it will be convenient to let one account serve for both Federal and State Governments, merely calling attention to significant points of difference.

Five of the federating Colonies acquired "responsible government" between 1855 and 1859; Western Australia did not reach her political majority until 1889. The mode in which the several Constitutions were established was not uniform, and in some cases presented singular complications and obscurities. But, ultimately, all may be founded on some Act of the Imperial Parliament conferring upon a Colonial Legislature the amplest power.

While the Imperial Parliament has thus been the origin, it has also been the model of the Colonial Constitutions. The government of the Colonies was essentially self-government; the Colonial Legislatures were not limited by any doctrine which would treat them as the mere instruments of the Imperial Parliament. And just as the British Constitution rests on a legal basis of Parliamentary sovereignty as distinguished from people's sovereignty, the self-government of the Australian Colonies meant Parliamentary government, unhampered by limitations which an authority merely delegated by the people would suggest. The most important manifestation of this was that self-government in a Colony included the power of amending its

Constitution, and that the constituent power was lodged in the Colonial Legislature without further reservation than was involved by the observance of forms which the Legislature itself might abolish, and, in some cases, has abolished.

The assumption of "responsible government" involved several things, of which the full significance and appreciation were only disclosed by time. It meant that, in relation to the internal government of the Colony, the Imperial Parliament and Government abstained from interference in matters of policy and administration. This consideration governed the exercise of the reserved power of disallowing Colonial legislation, as well as of the ordinary powers committed to the Governor by the Crown.

It meant, also, the transfer of power from a Governor, with a staff of subordinate officers, answerable, like himself, to the British Government, to an executive which was responsible within the Colony itself. It has meant, in practice, that this responsibility has assumed a form similar to that which has grown up in the United Kingdom since the beginning of the eighteenth century. In short, "responsible government" has acquired a secondary meaning connoting "cabinet government" or "party government," so that in the Colonial Legislature we find not merely the legislative authority but the power which makes and unmakes Ministries.

This is foreshadowed rather than established in the Constitutions. In spite of expressions in the Constitutions, which assume the existence in fact of the system, the Cabinet system rests to this day in Australia mainly, as it does in England wholly, upon conventional understanding and practices rather than upon positive law. Thus, in addition to the flexibility which belongs to a legal framework alterable by the ordinary Legislature, there is the further flexibility arising from the free play of usage and convention. The once favoured theory of Higinbotham (Chief Justice of Victoria), which

attributed to the Constitution Acts the whole system of responsible government, now finds few supporters.

§ 8. Parliaments and their Constitution.

Until the establishment of the Commonwealth, the legal part of the Australian Constitutions was mainly concerned with the Legislatures, their organisation and arrangement.

All the States' Constitutions provide for two Chambers. The Assembly, or Lower House, is democratic in basis; and in its control of Ministers, its financial preponderance, its limited term, and its liability to dissolution, recalls the House of Commons.

In all the "Lower Houses" members have long received an "allowance" or "reimbursement of expenses," which is in substance a salary. The Senate of the Commonwealth, and the Legislative Councils of South Australia, Western Australia, and Tasmania are also paid. In addition, members receive a pass over the Government railways, and, in some cases, allowance for travelling expenses, while there may be further allowances for special service, as on the Standing Committee on Railways in New South Wales and Victoria, or on Royal Commissions of Inquiry. It may be mentioned that a procedure similar to that by which payment of members of the House of Commons was introduced in 1911—the inclusion of the necessary amount in the Appropriation Bill—brought about a Constitutional crisis and "deadlock" in Victoria in 1877, though payment of members had been provided for by temporary Acts since 1871.

Manhood suffrage for the Lower House has been universal for many years; women's suffrage upon an equal qualification was introduced into South Australia in 1894, and was adopted by Western Australia (1899), New South Wales (1903), Tasmania (1903), Queensland (1905), and Victoria (1909), and by the Commonwealth in 1902. Every adult is entitled to vote in the district in which he resides. Plural voting is permitted in no State and

is forbidden for the Commonwealth Parliament, but in Victoria and Queensland property-holders have an option of exercising their vote where the property is situated, or where they reside. The result in Victoria is that while Melbourne is at a general election a safe Labour seat, at a by-election it is pretty certain to be won by an anti-Labour candidate.

A new country presents few of those features which in older governments suggest competing methods of distributing representation amongst the constituencies; and thus the electoral units are found by dividing the electorate into districts, with an approximately equal number of electors. One important modification of this plan is adopted: some advantage is given in the distribution to rural over metropolitan electors. This is founded on various grounds, but exists mainly to establish a balance of interests, and especially to reduce the disproportionate weight of an urban vote concentrated in the capitals. It is recognised in the Commonwealth as well as in the States.

In the States of Queensland and New South Wales provision has been made for the redistribution of seats, due to changes in population, without need for recourse to special legislation. In the other States there is no such provision, and time produces similar anomalies to those found in the United Kingdom before the Act of 1917. In the Commonwealth Parliament the matter, of course, touches the relative weight of the States in the Parliament. By the "Representation Act 1905" it is the business of the Chief Electoral Officer every fifth year to take into consideration the statistics of population in relation to the representation of the several States, and to determine whether any State has lost, and any other State gained, a member, for the system contemplates adjustment by transfer and not by an increase of the total number of members. This determination is operative *per se*, and it becomes the duty of the Government to order Commissioners under the Electoral Acts to re-distribute the seats in the States concerned, in order to give effect to it.

The Commissioners' reports are laid before both Houses of Parliament, and, if approved—they cannot be amended—pass into operation. The result is somewhat curious. The Chief Electoral Officer's certificate is a definite determination, not open to any review, of the representation to which each State is entitled. But elections must proceed upon the old basis of representation until a scheme of re-distribution has been approved by both Houses of Parliament. The reports of Commissioners are by no means accepted as of course, and are the occasion of fierce party battles in the House. The machinery of the Electoral Act may also be called into operation by the shifting of population within a State.

The single-member constituency is the rule in Australia for the Lower House; but Tasmania has for years used an adaptation of Hare's system of proportional representation, involving the multi-member electoral division, and under an Act of 1918, proportional representation is to be applied in New South Wales.

Twenty years ago it was not uncommon to find six or more candidates for a single seat, and where the election was not governed by local considerations, the support of a powerful newspaper was often the determining factor. The Labour Party made its first successes by introducing preliminary selection under conditions which secured the concentration of their whole strength in favour of the selected candidate. The manifest advantage thus enjoyed by a highly-organised party, even when it was in a minority, might be met politically by their opponents' adoption of similar methods. It also suggested a modification of the common law principle of election by mere plurality.

Counter organisation became possible as parties became more sharply defined, and without any alteration of the law, elections generally tended to become a struggle between the nominees of two great parties. But the opponents of the Labour Party never achieved the same solidarity as the Labour Party itself, and many of them rejected in

principle the means whereby that solidarity was achieved.

The States have made various experiments in schemes for determining the majority of votes where there are several candidates. New South Wales adopted the second ballot in 1910 as a means of coping with the "split vote" where party discipline was not sufficiently strong to deal with the matter; the scheme was naturally opposed by the party which could rely on its own organisation to prevent rivalry from its own ranks. It was abolished in 1918 on the introduction of proportional representation. Queensland in 1892, Western Australia in 1907, and Victoria in 1911, adopted various forms of "contingent" or "preferential" voting. The Commonwealth adopted a system of preferential voting for the House of Representatives in 1918, and for the Senate in 1919. The latter involved a definite rejection of the principle of proportional representation, and lends itself as readily as the older simple majority system, to the capture of all the seats by one Party.

If the call for absolute majority systems of election diminishes in proportion to the strength of party organisation and discipline, it is the rigidity of the party system itself which creates a demand of provision for the representation of minorities. Possibly, the single-member constituency may, in general, secure this in a haphazard way, though the expectations on which the English system of 1885 was based were singularly falsified in practice. The Commonwealth Senate, with its multi-member constituency, shows what is possible with a block vote as directed by a powerful organisation.¹ No provision, however, has been made, except by Tasmania, and recently New South Wales, for the representation of minorities. The disadvantage of all such schemes is that among a people fairly evenly divided in their politics, nice and accurate adjustment of their representation makes Parliamentary government difficult and may involve the whole institution in discredit. This

¹ See page 113.

consideration, of course, does not apply with equal force to Second Chambers, and it is possibly in connection with an elective Upper House that proportional representation promises the best results.

The ballot has been so long in use in the United Kingdom (though its experimental character is recalled by the fact that until 1918 it depended on an annual Act) that people forget that it used to be described as the "Australian ballot"; Australian experience was an important factor in encouraging its adoption in England. In recent years, Australia has been making some further experiments in the mode of recording votes. Partly, though not solely, out of consideration for women electors, various provisions have been made for recording votes otherwise than by attendance at the polling booth in the elector's division. The most important of these has been "voting by post," introduced in Victoria in 1900, and adopted by Queensland, Western Australia, New South Wales, and the Commonwealth. It has been fiercely assailed by the Labour Party as permitting violations of the secrecy of the ballot, and obviously, if admitted as a general alternative, it would afford a means whereby any person or political party able to bring pressure upon the elector could readily make that pressure effective. Actually, voting by post is limited to cases of illness, distance from polling booth, and absence. But in Queensland it was asserted that the system was abused, and after a constitutional crisis in 1907, the law was amended in 1908 so as to permit electors to record an "absent vote" at any booth. The same course was followed in the Commonwealth, where the Labour Party abolished the postal vote in 1911, and substituted "absent voting" at any polling booth in Australia. The objection to this system is that it facilitates impersonation by diminishing the risks of detection. Needless to say, the views held on the subject are affected by the interests deemed to be involved. The postal vote facilitates the recording of women's and

farmers' votes, which are thought to favour the Liberals. The absent vote provides for the shearers, seamen, and other shifting classes who vote "Labour," while it does nothing for the farmer who is distant from a polling booth, or the woman who is suffering the infirmities of sex. It is by no means certain that the calculations of interest on the subject by either party are sound.

The percentage of electors who vote at Commonwealth elections has increased in the case of the House of Representatives from 50 in 1903 to 78 in 1917, and of the Senate from 46 in 1903 to 77 in 1917. In the elections for the States Parliaments, the percentage of voters has steadily risen since 1901, in Queensland (where in 1915 it reached 88), South Australia and Tasmania, in all of which it is over 70. In Western Australia there was a steady rise from 46 in 1901 to 75 in 1911, but in 1914 there was a fall to 57. In New South Wales the percentage remained about 68 for several elections, but it fell in 1917 to 61. In Victoria the poll has usually been about 65 per cent., and in 1908 and 1914 it fell below 54. It may be noted that Victoria is the only State in the Commonwealth Government in which the Labour Party has not been in power, and the absence of a severe party contest in Victorian State elections no doubt accounts for the small percentage of votes polled, for the Victorian poll in Commonwealth elections is high.

The percentage of female electors recording their votes is below that of the male electors, but not as much below as in the earlier elections.

In the organisation and procedure of the Chambers the English model is closely followed, and *May's Parliamentary Practice* is as familiar as in the House of Commons. The closure in various forms is now acclimatised in Australia. There is usually a time limit for speeches on motions for adjournment, and in the Commonwealth Parliament a rule was made in 1912 limiting speeches in the House of Representatives to 65, or in certain cases 95, minutes. In the Commonwealth Parliament and in some of the States Parliaments, the considera-

tion of Bills introduced in one session may, under certain restrictions, be resumed in the next session of the same Parliament at the stage they had reached at the prorogation.

The conflict of parties has not spared the Speaker's robes and the mace. Discarded in the Commonwealth Parliament under the Labour *regime* in 1911 and 1914, they were restored by the Liberals in 1913 and 1917. A more serious breach with modern British practice makes the Presidency of the Senate, the Speakership, and the Chairmanship of Committees party appointments, changing with every swing of the pendulum.

§ 9. Administration.

One of the most constant problems of modern government is the relation of the political part to the administrative part of the system. The Cabinet meets some of the difficulties; the responsibility of Ministers to the Legislature permits that they may be intrusted with a considerable discretion, and removes from the Legislature the temptation of meddling with the detailed work of government. The subordination of other officers of Government to the Ministers enables the Legislature to treat Ministers as solely responsible. Ministers on their part with some show of justice might claim that they cannot be responsible for those whom they cannot control; that, therefore, a discretionary power of appointment and dismissal must be in their hands if they are to answer for efficiency in administration. It is unnecessary here to recur to the mischief of political appointments and dismissals in the public service; but it may be pointed out that in guarding against the evil the State has put some of its administrative services in hobbles.

In England it has hitherto been found possible to regulate the Civil Service without recourse to statute, whether as to appointments, promotions, or tenure of officials. In Australia, the Public Services are governed by elaborate statutory provisions defining the conditions of admission,

the classification of officers, remuneration, promotion, and discipline. The administration of this body of laws is organised under a Public Service Commissioner or Commissioners, whose important functions are recognised by statutory provisions designed to secure him against Ministerial pressure. Through his hands pass appointments and promotions, and one of his principal functions is to guard against the inflation of the service. In promotions, he has to weigh seniority and efficiency, and here lies his main responsibility. Any perfunctory performance of his duty will load the higher ranks of the service with indifferent officers; a painstaking and conscientious selection of junior officers is apt to evoke the cry of favouritism.

Democratic principle rejects any such division of the service as exists in England, where a special class of men is introduced after a severe and competitive educational test to fill the higher offices. In the service of each State and of the Commonwealth there is one entrance examination for all candidates; the successive ranks are filled by promotion from below according to rules which carefully limit the area of selection. In standard the entrance examination is usually far below the matriculation standard of the Universities, and is not a very convincing test of ability or education. The conditions of entry have failed to keep pace with the increased educational opportunities, so that in an increasing degree the service fails to attract the more able boys. The system is based on a conception of public administration as clerical service under a political head, a conception which becomes more inadequate every year as the functions of administration extend. Its defects would be more glaring than they are if the greater freedom of choice allowed for filling technical or professional positions did not furnish a means of introducing into the service some men of education and proved talent, who are then often put into responsible administrative office. The establishment of the Commonwealth Government and the

need for organising departments before the passing of a Public Service Act gave the opportunity for securing some of the best ability available, whether within or without the services of the States; and the expansion of public activities calling for the creation of new branches or departments from time to time gives similar opportunities to both Commonwealth and State. "The Commonwealth Public Service Act" is emphatic in its insistence upon efficiency and its relegation of seniority to a subordinate position; but otherwise enjoys no pre-eminence. New South Wales is the only Government which can be said to be really improving its system.

There has been no indication in Australia of any tendency to make use of the Public Service as the election agency for Ministers, as is common in some countries. Any such tendency, if it had existed, would probably have been checked effectually by the elimination of direct political control under the Public Service Acts. But the relation of public servants to politics has engaged serious attention in Australia, as in all other communities where the solidarity of interest in a large body stimulates common action for the protection or promotion of that interest, and where from the nature of the case organisation is peculiarly easy. The Parliament of Victoria was, in 1903, so far impressed with the perversion of the public interest which might arise from the pressure of public officers upon members of Parliament and Ministers that the whole Public Service, including the railway service, was removed from the territorial divisions for electoral purposes, and was formed into special constituencies. This, however, was repealed in 1906. In the Commonwealth and in New South Wales, the public servants have the benefit of the Arbitration Law, and the Commonwealth has made more than one attempt to bring the State railway servants under Commonwealth control. Such measures are based on the view that, as Government can hardly concede to its servants the right

to strike, it is bound to provide them with the means of laying their claims before an indifferent tribunal, and that a legitimate mode of pressing these claims serves to remove the subject from the political and parliamentary arena, where it would be determined less according to its merits than according to the amount of effective pressure which could be applied at the moment.

There are usually some restrictions on the political activities of public officers, but the tendency is to diminish them. In the case of the Commonwealth, the Labour Government in 1909 left the Commonwealth service free to engage in the ordinary political action of citizens, subject to a prohibition against commenting upon the administration of any Commonwealth Department and disclosing or making use of official information; and by an Act of 1916 New South Wales permits a public servant to become a candidate for Parliament; but he must, of course, resign if elected.

Within the Departments, Ministers in Australia probably concern themselves far more with detail than do Ministers in England. Whether this in all cases conduces to a more real control over the policy of the Department may be doubted.

The desire to eliminate "political influence" from administration has not been confined to the matter of Civil Service. There are many matters undertaken by Government which call for special expert ability, others which demand an unbiassed judgment in dealing with conflicting interests. This has been recognised in varying degrees as imposing limitations upon the sphere of the political part of Government, so as to promote efficiency in management (as in the case of State railways) or to avoid the intrusion of the miscellaneous factors which necessarily enter into any political judgment. The management of the railways is vested in Commissioners with large powers of independent action, combining the functions of managers with many of the powers of

a board of directors. The relations between the Minister and the Commissioners in such a system are delicate, and are occasionally strained. Parliament, which has to find the money for any railway deficit, must have control over commitments to large expenditure; the relations between the Commissioners and their staff may call for the interference of the Government and Parliament as a matter of national policy. But this public and occasional interference is not open to the objections attaching to Ministerial management with the constant pressure of political considerations.

Railway construction may be either an incident of management or a matter of policy. After some hesitation, it has been treated as a matter of policy, the more particularly as in Australia the construction of railways must be viewed not merely as a business enterprise but as a means of developing national resources. On the one hand, Parliament is entitled to determine the place of railway construction amongst the various claimants for public expenditure, and to determine the order in which the various railway schemes are to be undertaken, as well as to judge of the plan of the work, so far as concerns, *e.g.*, estimates of cost. On the other hand, there is no matter in which the decision of a political authority, whether Minister or Assembly, is more liable to be affected by influences outside the merits of the case. The position has been recognised by some States in the establishment of a Standing Parliamentary Committee, to which all but insignificant schemes of railway construction are referred for investigation and report, and which performs functions analogous to those of the private Bill committees of the Lords and Commons.

The principles applied in the case of the railways are applied in greater or less degree in other business relations between the State and the citizens, first as a means of securing efficient management, and, secondly, as a means of ousting illegitimate influences. The Savings Banks of the States and the Commonwealth Bank are illustra-

tions. Similarly, in the administration of the intricate body of laws for the regulation of the Crown lands, it has been found advisable in some cases to constitute semi-judicial and special Boards with carefully defined statutory powers for dealing with the resumption of lands for closer settlement and the management and rating of irrigation areas. The disbursement of funds by the central Government for the construction and maintenance of roads is another matter which hovers between independent management and political action. The Inter-State Commission, established by the Labour Government in 1912, was given a wide range of powers in relation to Inter-State trade and commerce, and was, after the railways, the most important case of the use of an independent body in administration. In particular, the Commission was charged with a constant surveillance over the operation of the Customs tariff, avowedly that Parliament may act upon authentic information and unprejudiced advice in reconciling the several interests which a tariff, especially a protective tariff, affects. The Commission reported, but Parliament in its revision of the tariff went its own way. It has been frequently proposed to vest the management of the postal and telegraphic services in a body of Commissioners modelled as to status and functions upon the Railway Commissioners.

The existence of these semi-independent authorities involves in many cases great complexity of function and relation, with the possibility of sharp conflict between them and Ministers. Ultimately, it involves very difficult constitutional questions as to the responsibility of Ministers for the exercise of statutory powers vested in particular bodies or officers. Usually there are left in the Ministry powers which in the last resort will make the political view prevail; but the country has the safeguard that such interference is an extraordinary and not an ordinary exercise of power, that it almost necessarily takes place in circumstances

which insure publicity, and that it must therefore be based on reasons which the Ministry can rely on as a justification of its action.

Local government in Australia is entirely the creation of Statute, but so far as it goes it carries the tradition of local government in England—that is, it is viewed as local self-government and not as the instrument of the central Government. In fact, there is in Australia less of the utilisation of the machinery of local government for national purposes than there is in Great Britain. Police (together with the maintenance of prisons and the cost of justice) and education are services organised and controlled by central departments, and the expenditure is provided for by Parliament. The same is true of asylums. There is no poor law, but a considerable charity vote is usually granted by Parliament, and the subsidising of benevolent institutions and the relief of unemployment are regarded as State rather than municipal matters. Old-age pensions were provided by the State Parliaments, and their administration was undertaken by the central departments; they are now, with invalid pensions and the maternity bonus, administered by the Commonwealth Government through officers responsible to it. As the railways are in the hands of the State Governments, those Governments are brought into closer relation than elsewhere with the internal communications of the country; roads and bridges are important feeders of the railways. Moreover, these communications are, of course, essential to development, and are often most urgently called for where there is least ability to bear a local charge; and historically there is a connection between land revenue and local works. Large amounts of money have been expended directly by the central Government both out of loans and revenue; and there are roads and other works, distinguished as “national” from those controlled by local authorities. In general, roads are now made and maintained by the shires or municipalities, with the aid of a Government

grant. It is questioned whether this system altogether insures recognition by the municipalities of the national purposes for which the subsidy is paid, and recent legislation in Victoria is aimed at bringing main roads under a much more direct control through the establishment of a non-political board.

A large part of Australia is now included in local government areas; but it is obvious that the effectiveness of local government must vary with the widely different conditions of settlement in the several States. In the capitals and other urban areas, government is organised upon familiar lines, and undertakes the obvious services required by large town communities. Both in Sydney and Melbourne, the existence of a large number of municipalities within the metropolitan district involves the creation of some authorities which control services not admitting of separation, of which sewerage and water supply are the most important.

PART II.—THE WORKING OF RESPONSIBLE GOVERNMENT.

§ 1. The Cabinet.

So far as concerns the Cabinet in Australia, there was, till very recent years, little that called for particular description. Later, important departures have been made in Australia, as other and greater departures have been in England. But some of these are so recent that it is not possible in either case to say whether they are mere incidents or phenomena out of the ordinary course of constitutional practice, or are real modifications or developments of institutions. In general, the substance, and perhaps even more the forms of British practice, have been observed. The Ministry may not dominate the Assembly as much as the modern British Cabinet has dominated the House of Commons; it has been said to be less sensitive to defeats which are not a direct challenge

to its authority. Collective responsibility is often a strain where party lines are not clear and Ministerial supporters are drawn from various groups, or where the regular Opposition is not sufficiently strong to threaten the Ministry. Reconstructions are called for by dissatisfied supporters, and sometimes take place. They would be more frequent if it were possible to break the fall of an unpopular Minister in an agreeable way. The secrecy of Cabinet proceedings is guarded well enough in matters of the first importance. But in Australia, the number of departmental matters dealt with in Cabinet is very large, and this has probably been responsible for a recent practice whereby frequently a *communiqué* is made to the Press, summarising the results of the Cabinet council. The number of Ministers is small, and while in England the more important Departments of State have at least two Ministers in Parliament, the Australian practice frequently assigns two and even three Departments to one Minister. As it is impossible for a Department to be represented directly in both Houses, the Cabinet includes two or three "honorary Ministers," "Ministers without a portfolio," or assistant Ministers, who may share the conduct of Government business in the Legislative Council, and sometimes assist the Ministers in their Departments; and Victoria has adopted a feature of parliamentary government in Europe which permits Ministers in charge of a Bill to take part in the proceedings of either House. As all Ministers are in the Cabinet, there is no training for Ministerial responsibility such as is afforded by the Under-Secretaryships in England. Often a preliminary term is served as an "honorary Minister," and on a casual vacancy in a Department, the succession is commonly looked for by an honorary Minister. On the other hand, as there are no sinecure offices like the Privy Seal or the Chancellorship of the Duchy of Lancaster, honorary office is sometimes accepted by men who are unable or unwilling to undertake heavy departmental work.

The same reasons that in England warn the Prime Minister not to accept an onerous Department exist in Australia. In the Commonwealth Government, Mr. Deakin became Prime Minister in 1910 "without a portfolio," and during the succeeding Ministry the office of Prime Minister was definitely constituted as a distinct "Department of State." Another result of the system by which there are no Ministers outside the Cabinet, is that the Attorney-General has always been in the Cabinet, a fact which gives the office a political rather than a professional character. It has, in fact, been held by gentlemen who were not members of the legal profession at all.

"His Majesty's Opposition" has more formal recognition than in England, for the leader of the Opposition usually has an official secretary at the public expense, and in Queensland, Victoria and Tasmania he receives a salary.

§ 2. Party Government.

The Australian colonies in adopting the British system of Cabinet government as their mode of self-government, took a course which provided for their immediate need of submitting the executive to colonial control. The system was one which in outline they understood, though even in England, outside official and parliamentary circles, there were probably few people in 1855 who could claim to know it intimately. The conventions of the system were accepted so far as they were understood. A Government held office by the support of the Assembly; that support might be withdrawn without any breach of propriety by the House and without injustice or hardship to Ministers. Opposition was a constitutional function and not unpatriotic or factious conduct, if accompanied by

* In the Cook Ministry the Prime Minister became Minister for Home Affairs, but arranged that one of the honorary Ministers should practically administer the Department.

an acceptance of the responsibility to assume office in certain well-defined contingencies.

But such a system presents obvious temptations and dangers. In the absence of real differences of policy, it is apt to become a game in which men exercise their natural combativeness and rivalry, and in which Ministerial office is the trophy awarded to the victors, a trophy which they hold on condition of defending it against all challengers. A lower level is reached if the contest is dominated by material rewards; government is perverted by self-interest, loses all moral influence, and ceases to be representative in anything but name. If changes of Ministry are based on real differences of policy, still, over frequent change destroys continuity and makes government ineffective. In Great Britain, these evils were encountered by the existence of parties, and the reduction of the contest in the main to a struggle between two parties. The small number of persons in Parliament who could look for any personal advantage from a change of Ministry; the fact that those who might aspire to office had commonly an assured social position and some fortune, so that the emoluments of office, though pleasant, were not of vital concern, tended to check the influence of personal interests, and to force political contests along lines of real difference in matters of public policy. Moreover, in Great Britain, party government grew out of parties, called into existence in the first instance by great public issues, but ultimately having an independent existence, so that they lived not merely in the concert of their members for certain definite political ends, but in the memory of past conflicts, and of great leaders, in the possession of a name and of traditional principles and maxims of political conduct. These formed a continuous bond of association and gave the party a moral personality which could command attachment and loyalty. The leaders of the party, guiding its counsels and directing its policy, have been the most prominent men in Parliament, so that party allegiance has

generally been identified with loyalty to an individual parliamentary leader or group of leading men.

Not all these conditions were reproduced in the colonies which entered on the British system in the "fifties." Australia, indeed, shared in the remarkable change of tone which during the preceding seventy years had gradually banished the grosser forms of corruption from public life. The legitimate pecuniary rewards of Australian politics have always been inconsiderable, and a public opinion not always very observant or interested in political affairs, was very sensitive at the suggestion of illegitimate gains. Even the ordinary emoluments of office probably played a smaller part in the struggle than might be supposed: office was at least as much the token of victory in the game as the material reward striven for. Certainly in the hurly-burly of the early years of responsible government, the number of men who might naturally be affected by the lure of an official salary was smaller than it was after an era of comparative stability set in.

The custom which in England draws men to Parliament as the complement to or witness of success in professional or business life, was brought to Australia by the colonists, though it has now almost passed away. But the elements from which the House of Commons still drew its character in the middle of the nineteenth century, and which furnished the traditions of political life and the basis of political contests, were incapable of transmission to those who were so far away from the influences of the "governing class." "Whig" and "Tory" made nothing of the appeal to the Australian legislator that they made in a House of Commons where men had not yet ceased to talk of "Mr. Fox" and "Mr. Pitt." "Conservative" and "Liberal" temperaments there were in political as in other affairs, finding vigorous expression in the newspaper press and readily recognisable in the

general attitude of Councils and Assemblies respectively. But, in fact, the great political questions which divided parties in England—and even in England party lines from the repeal of the Corn Laws to the death of Palmerston were ill-defined—were hardly issues at all (as the extension and protection of political rights, the relations of Church and State), or they had not emerged in the social conditions of the country (as the humanitarian movement embodied in the Factories Acts, or the protection of industries by tariffs). These conditions were unfavourable to the formation of firm and continuous associations for government. The nearest approach to party in the English sense was the habit whereby associations formed for some special purpose served as a bond of union for general political action; and the most permanent and characteristic of political groups came to be determined by fiscal sympathies, even when the fiscal question was not the question of the hour. But the bond was a slight one, and it rarely included as a practical test of party loyalty the acceptance of the leadership of someone who could speak and act for all. Outside Parliament, party, in the English sense, with its accompanying organisation, did not exist; the member counted mainly upon his personal influence and popularity in his constituency and his record for services to that constituency; he was without fear of any caucus drawing inspiration from head-quarters. Such conditions permit a freedom of political action which many to-day may envy. But they are not favourable to the smooth working of the Cabinet system; they tend in particular to make an assembly a congeries of local interests.

In a country whose sparse population and generous distances make effective local government impossible, where extensive developmental work has to be undertaken, and where social conditions and opinion combine to demand a wide sphere of governmental activity, Parliament readily becomes

the meeting ground of material interests, where the rural constituencies are contending with each other for the expenditure of public money on roads and bridges, where the town and country are jealously eyeing each other, and where justice to one interest is often possible only by placating a number of others. In the condition of the country, these interests had to find representation, and it is useless to quarrel with the fact. The evil lay, of course, in their tendency to dominate the situation, to lower the tone of politics, and to form a public opinion which found a serious basis only in some material interest. The last tendency was not diminished by the fact that the greater political issues were the disposition of the public lands and the tariff. In fact, where real political parties have existed in Australia their origin has usually been in the desire to promote or to defend some material interest, individual or class. This accounts to some extent for the ferocity of party feeling at critical times, as well as for some discredit which attaches to party in general. Its graver consequence is the serious limitation it imposes on the national outlook and development.

Until the last decade of the nineteenth century, the combinations of politicians in Australia for public ends were transient and not permanent. Ministry followed Ministry with rapid succession, and between 1856 and 1894 New South Wales had 28 Ministries; Victoria, 27; South Australia, 42.

This condition of things would hardly have been tolerable but for three facts. In the first place, the limited range of colonial politics demands less of "strong" government than is called for in a sovereign State. In the second place, there was enough general political agreement in the country to insure a steady movement of democratic progress—there were few marked periods of reaction. In the third place, "government" in a colony is in a very large degree administration, which is not substantially interfered with by political change.

§ 3. The Two Chambers of the Legislature.¹

The second Chamber in Australia is foreshadowed in the composition of the Legislative Council established in New South Wales in 1842, which consisted as to one-third of nominated and as to two-thirds of elected members. Much discussion on the subject took place in the following years, when Australian Constitutions were in the making. Succeeding Secretaries of State, the Board of Trade, and members of the House of Commons in England; the Governors, Legislatures, Press, and public meetings in the Colonies took an active part. To one, the tradition—English and Colonial—seemed a sufficient reason in favour of the two Chambers; to another, the adoption of the English model appeared to invite a comparison which would lead to embarrassing claims by the Colonial Assembly. Others again desired a Second Chamber as a guarantee for the presence in political life of persons of independence and character, a Chamber which should at once be a brake upon "naked democracy" and a model of tone and disinterestedness in public life. While such a Chamber might be relied on to stand between the Government and the onslaughts of a democratic Chamber, it must not be merely the creature of Government, or it would lack respect and influence. Therefore a life tenure for nominees was to be preferred to a limited term.

It is curious to note that in the discussions preceding responsible government, the common assumption on all sides is that a Council will be a supporter of Government; and the critics of Government address themselves to considering whether it is better to have the Government phalanx in the Assembly or in a separate Chamber. The Constitution contained in the Imperial Act of 1850 left the settlement of the question to the Colonies themselves, provisionally continuing the form of Legislature set up in 1842.

¹ This section has been adapted from an article of the present writer in the "New Statesman" Supplement for 7th February, 1914.

In the result, New South Wales and Queensland adopted nominee Councils; South Australia, Tasmania, Victoria, and (when her time came) Western Australia, elective Councils. In the elective Councils, the franchise varies in details, but its character may be judged by the fact that the proportion of Council to Assembly electors is from 30 to 40 per cent.

In contrast with the Assemblies, which are dissolved by lapse of time or prerogative act, the Councils have a continuous existence. Moreover, whether the Council be a nominee body, whose members have a life tenure, or an elective body, its *personnel* changes very slowly. Successive reductions in some of the States of the term for which a Councillor is elected give an uniform tenure for six years, one-third or one-half of the members retiring by rotation every second or third year. But, save in rare instances, a member once elected retains his seat for life or until resignation. Constituencies are large; contests are expensive; public interest centres in the Assembly; the Council offers no temptation to ambition. Members of Council are generally older than members of the Assembly, who are themselves middle aged; well-to-do, sometimes wealthy, men, whose property, business, or profession, and not politics, has the first claim on their time and attention. They have claimed to stand outside the party system; there has not been the same sharp division of their ranks as in the Assembly into Ministerial and Opposition. The party division has probably been more marked in the nominee Councils than in the elective, and it becomes more pronounced with the infusion of Labour members which the nominee system permits. But any Government may meet a check at the hands of a Legislative Council, however constituted. Not claiming to make and unmake Ministries, it does not recognise the obligation or the discipline of a party. When a Ministry is being formed, the Premier will include one or two members of the Council, chosen less for their political views than for their persuasive influence

in a small body which has learned to trust itself to the guidance of a few of its members. If these members have the necessary capacity and time available, they may be the means whereby the Council fulfils its revisory function with much public benefit.

Designed as conservative bodies, the Councils have certainly fulfilled the retarding function of a Second Chamber. Nearly every measure which is claimed as democratic and progressive has had to pass the ordeal of several rejections. The several extensions of the franchise, including women's suffrage; payment of members; land taxation; the whole range of "experimental legislation" from schemes for land settlement and compulsory purchase to wages boards and arbitration courts; the extension of government enterprise into the sphere of trading, have their long account of Bills rejected by the Councils. Even so well-tryed a measure as Workmen's Compensation is in some cases still held back. The resistance of the Councils to drastic schemes for breaking up the large pastoral holdings and to land taxation, and the brake they apply to "socialistic legislation," drove many, if not into the ranks, at any rate to the support of the Labour Party, and have been the main cause of the zeal of that Party for enlarging the powers of the Commonwealth Government, in whose Constitution a forward policy has to encounter no such obstacle.

It is not surprising that "the abolition of the Legislative Council" is a plank in the platform of the State Labour Parties. In 1917, the Queensland Labour Government made a serious attempt to carry the proposal into effect, but on submitting the Bill to the electors by *referendum*, met with a severe rebuff.

When all is said, Australia is able to pride herself on the multitude and variety of her legislative experiments, and with some justice she has been regarded as the world's political laboratory. When the Government and the Assembly have been very

much in earnest—which is not always the case—and have been supported by a strong public opinion, the Councils have usually given way.*

The nominee and elective Councils have, of course, presented distinctive problems in the long course of struggle between them and the Ministries. In the case of the nominee Councils, the first question was the respective functions of Governor and Ministry in respect to nominations. In the view of the Governor (supported at first by the Colonial Office), it was essential to the usefulness and independence of the Council that its *personnel* should not be altered so as merely to reflect the shifting conditions of parties in the Assembly; that though there was no legal limitation to the number of members of the Council, a conventional limitation should be accepted, and that appointments should in general be made only as vacancies arose by death or resignation. Ministers, on the other hand, contended that in this matter, as in others, self-government required that the Governor should accept the advice of Ministers or find successors. On this subject, the earlier plan has been modified to the extent, at any rate, of abandoning the notion of a conventional limitation of numbers; and in 1892 the Secretary of State accepted the principle

* A critic, however, might often have applied to the situation created the comment of a shrewd parliamentarian on the relations of the Cabinet and the Lords in England: "An Upper Chamber which will accept from a Ministry that it detests no measure that has not behind it an irresistible mass of excited public opinion, has sooner or later the fate of those Ministers in its hands. For on the one hand the friction generated by the process of forcing a Bill through a reluctant House of Lords annoys and scandalises a nation, which soon grows tired of having a revolution once a twelvemonth; and, on the other hand, the inability of a Cabinet to conduct through both Houses that continuous flow of legislation which the changing necessities of a country like ours demand, alienates those amongst its most ardent supporters who take little account of its difficulties and see only that it is unable to turn its Bills into Acts." (Trevelyan, *Life and Letters of Macaulay*, 2, 56.)

of Ministerial responsibility, subject to the qualification that the Governor should act upon his own opinion if he had ground for believing that the Ministry was not supported in its action by the Assembly and the country. This appears to have been the principle acted on by the Governor of Queensland in 1907, when, on the rejection of certain Government measures by the Council, the Premier asked for assurances, to be publicly notified, that persistence in the opposition would be followed by the appointment of a sufficient number of Councillors to enable the Government to carry out its policy. The Governor refused, the Ministry resigned, and a new Ministry accepted office on the understanding that an immediate appeal would be made to the country. A general election returned the old Ministry to office, and the Council accepted the Bills. The consciousness that the remedy of further appointments was available has been in all recent times a factor in inducing the Councils to accept legislation, as, for instance, the Land Tax of 1894 in New South Wales. In 1899 additional members were, in fact, appointed to carry the Federation Bill in that colony.

In Queensland, the crisis of 1907 resulted in the legislative adoption of the *referendum* as an alternative method for settling disputes between the Chambers.

As already mentioned, the *referendum* was resorted to in 1917 in the case of the Legislative Council Abolition Bill, with the result that the Bill was defeated. In New South Wales, the anti-Labour Government in power in 1910—which had had its own difficulties with the Council—introduced a scheme for the prevention of deadlocks, at the same time providing for a legal limitation of the number of members of the Council. Some definite determination of the numerical relations of Council and Assembly is, of course, essential to all schemes which look to an ultimate adjustment of the differences of the Chambers by a joint sitting.

In the colonies which adopted elective Councils, the differences between the Chambers have been more frequent and acute. From the first, the Councils, as being elected, have been able to claim that they are responsible to their constituents, and particularly to urge with some force claims to a participation in financial policy greater than that of the House of Lords or of a nominee Chamber. In South Australia and in Victoria the differences between the Houses in these matters have been sharp; and in Victoria, on three occasions—in 1865, 1867, and 1878—the rejection of the Appropriation Bill has brought the Government to a standstill.

The memory of these conflicts remains, and was very apparent during the debates on the Federal Constitution in 1897-1899. Two remedies have suggested themselves. As early as 1874, the Government of Victoria appears to have intended to propose the substitution of a nominee for the elected Council; and a Bill for the purpose was actually introduced in 1880, but did not obtain the absolute majority required. The remedy generally favoured and, in 1903 adopted, leaves the principle of election unaffected, but makes provision for "deadlock." The joint sitting, the substitution of a suspensory for an absolute veto with or without a *referendum*, the dissolution of one or both the Houses—these schemes in various combinations have been discussed at various times. South Australia led the way with a provision whereby if the Assembly twice passed a Bill, with an intervening general election, the Governor might on the second rejection by the Council dissolve both Houses. This provision is in force to-day, with an alternative whereby the Governor may afforce the Council by issuing writs for the election of additional members. In 1901 and 1908 attempts were made by the Government to substitute a joint sitting after a measure had been twice rejected by the Council; and in 1910 and 1911 the Labour Government introduced and passed through the Assembly Bills whereby any scheme twice passed

by the Assembly and rejected by the Council might, if again passed by the Assembly after a general election, be passed over the head of the Council.

In 1911 the Council rejected the Appropriation Bill. The Government, following the course taken by the Victorian Government in 1878, appealed to the Imperial Government to give effect to the proposals of the Constitution Amendment Bill of 1911, but was met with a refusal. It then dissolved the Assembly with a view to a later double dissolution, but the country was against it. The political history of South Australia during the last twenty years is one of constant conflict between the Houses—of unsuccessful attempts to reduce the franchise for the Council and to establish more practicable means for making the will of the Assembly and its electors prevail. Women's suffrage, though applicable to both Houses, has widened the distance between Council and Assembly by lowering the proportion of Council electors to electors for the Assembly, and this fact is an important element in the situation.

In Victoria, disputes between the Council and the Assembly were at last dealt with by the Constitution of 1903 under a plan suggested by the Commonwealth Constitution. On the rejection of a Bill by the Council, the Governor may by proclamation dissolve the Assembly declaring the cause of disagreement between the Houses. If the new Assembly again passes the Bill and the Council rejects it, both Council and Assembly may be dissolved. The scheme proposed that the new Council and Assembly should then hold a joint sitting; but this had to be abandoned owing to the Council's opposition. The result, therefore, is that if each House is supported by its electors, there is no machinery for ending the dispute. It should be noticed that even the plan established is qualified and surrounded by precautions and safeguards. A dissolution of the Assembly within six months of its expiry by effluxion of time does not count, and no part of the scheme applies to provisions altering

the Constitution of Council or Assembly. On no occasion has the machinery of the Act of 1903 been put in operation, though the Council has been active in criticism and in rejection of Government measures.

When we pass from the Legislative Councils of the States to the Senate in the Parliament of the Commonwealth we are in a wholly different atmosphere. The framers of the Constitution were spared the fundamental problem of determining the basis of a Second Chamber, for they had a principle ready to hand—the representation of the States as such demanded at once by federation and by the practical exigencies of the situation. Equal representation in a Senate was, after a struggle, conceded to the six States. Each State is a single constituency, and the term of service for a Senator is six years, so arranged that half the Senators from each State retire every three years. The large constituency and the continuity of the Senate stand for the attempt to reproduce in the Senate something of the character of the ideal Second Chamber. But if violence was done to the democratic principle of equal citizenship by giving the same number of Senators to all States regardless of population, an attempt was made to atone for it, as well as to avoid the repetition in Commonwealth Government of the experiences of the colonies, by making the qualification for Senators and electors the same as for members and electors of the House of Representatives, and by providing for payment of Senators on the same scale as members of the House.

The Senate has equal powers with the House in ordinary legislation. But as to finance, a detailed and complicated scheme aimed at securing first the preponderance of the House of Representatives in relation to the "ordinary annual service of government," and, as a consequence, the primary responsibility of the Government to that House; and, secondly, the protection of the Senate against every form of tacking, whether by lumping various projects of taxation in the same measure, or by

including schemes of expenditure outside the "ordinary annual service of government" in the Appropriation Bill, or by joining Bills of legislative policy with finance measures. (See the *Commonwealth of Australia Constitution Act* 1900, sections 53-56.) For the Senate was, like existing Upper Houses, not to have power to amend finance measures, though it was compensated by a power to make requests.

The possibility of conflict was foreseen, and section 57 provides for a double dissolution followed by a joint sitting in case the Senate twice rejects or fails to pass a Bill sent to it by the House of Representatives.

The Constitution aimed at a combination of Cabinet government with Federal government, and there were prophets who foretold that the alliance was unnatural, and that one of the two must destroy the other.

During the first twelve years of the Commonwealth history, cabinet government with its tradition of the supremacy of the Lower House, appeared to have prevailed. To the Senate were assigned two (†) members of the Cabinet, of whom only one would be a Minister with a portfolio, and the protests of the Senate against such scurvy treatment were ignored with impunity. The absence of Ministers handicaps the Senate both in its legislative and in its critical capacity, for Ministers can take part only in the proceedings of their own Chamber. Very little legislation is initiated in the Senate, which during the earlier months of a session has little to do, while towards the close of a session it is rushed with work, and before appeals to facilitate public business even the revisory function of a Second Chamber has to give way. It has little of the corporate feeling of the Legislative Councils; it is more definitely organised as "Ministerial" and "Opposition," and it would be idle to look to the Government

† In the Liberal Ministry of 1913 there were three Senators.

supporters to champion Senate claims against the House.

As a federal House of State, the Senate has long ceased to raise any expectation of activity as a guardian of State powers and functions; and the conference of State Premiers has developed, in part at least, as the result of its failure in this respect. As a Second Chamber, it has given us a new influence. In place of the cautious attitude of the Councils towards the legislation of a "progressive" Ministry, the Senate has shown a fiery zeal for experiment, and the leisure which it enjoys as an Upper House has been employed in the debating of motions for the nationalisation of "monopolies," the further regulation of trusts and combines, and the enlargement generally of Commonwealth powers. These debates would have had more value if the Senate could have been taken seriously as an effective part of the constitutional machinery. But so long as it is deferred to tradition by leaving to the House the active work of government while, unlike the Councils, it accepted readily the legislation sent to it, it was esteemed in the community as little more than a debating society.

This quiescence, however, depended on a political situation which was liable to change, and which, in fact, was changed by the general election of 1913.

After the general election of 1910, many influences were at work to sharpen the party conflict. The three parties had become two, and the issue between them tended to be on material interests deemed vital. The development of the Caucus and the adoption of the principle of the solid party vote in Parliament by the Labour Party, tended to strip from Parliament all claim to be a deliberative assembly, and to make it a mere machine for recording external decisions. The result was that the moderating influences of Parliamentary Government disappeared from political life; and that which the will of one party had imposed, the will of the other sought to remove when opportunity offered. In such circumstances, if one party were dominant in Senate and another

in the House, any Government which required the co-operation of both Houses would be impossible. This is what happened after the general election of 1913 had brought a Liberal Ministry into office with a majority of one in the House of Representatives. The Senate contained 29 Labour members, while the seven Liberal Senators were not sufficient to form a quorum. After a short experience, the Government made up its mind that it was impossible to carry on effectively with a Senate in which political opponents completely controlled the Legislative business which formed part of the Government programme, and accordingly it took steps to force a situation which would permit a dissolution of the Senate. Two Bills repealing Acts of the preceding Parliament were submitted and rejected by the Senate. Parliament was prorogued, the Bills were re-introduced, and as soon as one of them had been refused a first reading by the Senate, the formal conditions prescribed by the Constitution for dealing with deadlocks were fulfilled. Thereupon, in June, 1914, the Government advised, and the Governor-General granted, a double dissolution.

The appeal to the country took place shortly after the outbreak of war with Germany, and resulted in a decisive victory for the Labour Party, which was placed in a majority in both Houses.

There was and there remains controversy as to the constitutional propriety of the dissolution. It was argued against the Government that the application of the remedy to such a case was in effect a denial of the Senate's right to exercise an independent judgment in legislation altogether, and that the confessed intention of the Government to bring about a dissolution by submitting to the Senate Bills which they were certain to reject was, in lawyers' language, a fraud upon the power. The Government, on its part, claimed that it was meeting an attempt on the part of the Senate to usurp control of the Executive Government, and to introduce a dual responsibility which would make Government impossible by any party which had

not a majority in both Houses; that this was the very thing which the framers of the Constitution had seen to be possible, and which the machinery of section 57 had been devised to prevent.

The Senate is vulnerable from a democratic point of view in the unequal value assigned to individual citizenship by the equal representation of States. It has become vulnerable also by the mode of election for Senators. The three Senators returned for each State are elected upon a block vote which requires the elector to vote for three candidates and prohibits him from giving more than one vote to any candidate. The enormous constituency, which prevents a candidate from becoming personally known to the electors, makes the party and its organisation predominant in elections. As parties obtain more control over the candidature and as electors vote more strictly on party lines, a small majority in any State is likely to secure the whole number of seats for that State. With a certain amount of luck, the same Party may in the same way secure the three seats in each of the States. This is what happened at the election of 1910, when eighteen Labour Senators were returned, and in 1917, when eighteen Liberal Senators were returned. At the election of December, 1917, seventeen Liberal or National Senators were returned, so that now in a Senate of thirty-six members, there is only one Labour representative, though the Labour Party received over 40 per cent. of the votes polled. Some of the strongest objections to proportional representation—that it is apt to leave parties too nicely balanced or to favour the formation of small groups, and that it deprives elections of the driving power which comes from a large turnover of seats—have little or no application to a Second Chamber, which is, indeed, usually designed with the object of preventing the body from being too radically changed at any one time. The alteration of the electoral system of the Senate, by some provision for the representation of minorities, is a reform in which all parties should be able to agree.

§ 4. The Labour Party.

It was the existence in Australia of the great capitals which eventually organised politics on definite lines. At once the seat of government and the centre of all business, the point at which substantially her whole trade entered and left a colony, each capital brought together a vast working-class population with every facility for organisation for political action as soon as the inducement to organise became sufficiently strong. During the nineties the Labour Party was chiefly conspicuous as a driving force in politics, supporting such Ministries as would promise industrial legislation or a land tax. In other conditions, the appearance of such a "third party" in Parliament would have been a disturbing factor. In Australia, however, the advent of the Labour Party appears to have had from the first a steadying influence in the Legislature.

There are some differences in the organisation and more in the terminology of organisation of the Labour Party in the several States. In the main, the party consists in the industrial unions, which on affiliation become branches. Other branches are formed consisting of individual members, not necessarily members of unions. The branches send delegates to district councils corresponding with the State electorates, and these district councils send delegates to the annual conference. But the prevalence of the industrial unions in the movement is shown by the fact that they are entitled to representation in the conference apart from the district councils.

The Party was soon strong enough in numbers generally to hold the balance of power, and its strength was beyond its numbers by the "pledge" which bound its members on all vital occasions to cast a solid vote. It was not strong enough to be under any temptation to make a bid for office, and its system forbade coalescence with other parties to form a Ministry. But it was essentially a Party

striving to achieve results by parliamentary action, not one concerned merely to embarrass and hinder government. Its policy was to make a working arrangement whereby on condition of obtaining certain of its own objects it would give such a general support to one of the other parties as would enable that party to hold office, while its frank criticism was a perpetual reminder of its separate existence and its right of independent action. It was under these conditions that government was carried on in most of the colonies during the years immediately preceding Federation, and in the Commonwealth during the Ministry of Sir Edmund Barton and the first Ministry of Mr. Deakin.

As the Labour Party grew in strength till it ceased to be a "third party" and became the regular Opposition, and later itself came into office, the other sections in Parliament were learning something by its example in the way of cohesion, discipline, and organisation; while the growing prominence of the policy of nationalisation, the rigour of the "pledge," and the ascendancy of the trades unions, served to mark out clearer lines of division by allying the business interests of the towns with the farming interest in the country in defence of what could honestly be held as great and permanent principles of political conduct and social well-being.

In regard to any political party, as President Lowell has well pointed out, the first question is whether it works within or without the institutions of the country. Tried by this test, we find that the Labour Party is organised for parliamentary action and accepts the main conventions of Cabinet Government. But it has certain features of its own which distinguish it from the familiar working of the older parties in England.

There are four bodies whose functions and relations constitute the system—the *Cabinet* (when the party is in office), the *Caucus* of Labour members of

Parliament, the *Conference* of the Political Labour League, and the *Executive* of the party.

The *caucus* of members of the Parliamentary Party—with other parties occasional, and usually a signal of distress—meets weekly during the Parliamentary Session; and from it sometimes spring standing committees to watch over departments of public affairs assigned to them. The chairman of the *caucus* becomes the leader of the party in the House, and if he is called on to form a Ministry, it is the *caucus* which determines by ballot the *personnel* of the Government, though the distribution of offices is left to the leader. In the *caucus* also take place the serious debates of the party in regard to its parliamentary action, and here we come to the root of the matter—the pledge. Every candidate for nomination as a Labour candidate must, in addition to his acceptance of the platform, undertake not to nominate as a candidate unless selected by the organisation (which involves submission of his claims to the same authority before every election), and pledge himself to vote in Parliament in all matters affecting the platform as a majority of the Parliamentary Party in caucus determines. This itself covers a wide range of political action; and practically (and in some cases expressly) it extends to all matters of sufficient importance to affect the life of a Ministry.

The principal function of the *conference* has been to frame the party platform. This platform consists of an "objective" stating the party ideals, and a "fighting platform" setting out the immediate policy of the party. Its practical importance lies in the fact that acceptance of its terms is the test imposed upon candidates for the party nomination at the following Parliamentary elections. There is in each State a State Conference, composed of delegates from the constituent organisations and branches; and there is a Federal Conference, composed of six delegates from each State. The Federal Conference meets triennially, the State Conferences in most cases annually, and they

frame the Federal and State platforms respectively. There is also an Executive in each State, meeting at frequent intervals; and in 1915 the Federal Conference set up an Australian Political Labour Executive, as "the administrative authority in carrying out the decisions of the Inter-State Labour Conference."

Out of the rivalries of individuals, the intrigues of cliques, the struggles for mastery between the different sections of the party which sharpened into the distinction of "politicals" from "industrials," and the real conflicts of aims and ideals, there have come certain developments of a highly significant kind in their relation to political institutions.

When the *caucus* elects the Ministry, the regular sittings of the *caucus* must, during the Parliamentary session, tend to supersede the deliberations of the Cabinet, to bring Ministerial differences to the arbitrament of the party meeting, instead of to the Cabinet or the Premier; and to substitute for the collective responsibility of the Cabinet to Parliament the individual responsibility of Ministers to the *caucus*. The course of development might well be one in which the Cabinet was set aside in favour of direct government and administration by the *caucus*, acting, perhaps, through Committees presided over by a Minister.

How far these tendencies have asserted themselves may be seen from incidents which called forth definite declarations of principle. In 1914 the New South Wales Parliamentary *caucus* passed a resolution that all proposed appointments by the Labour Ministry to the Legislative Council should be submitted for its approval. The Premier (Mr. Holman) at once protested against the resolution as a "confusion of the leading functions of legislation and administration," declared that members of Parliament as such were not "members of the Executive Government," and that "no Parliamentary Government in the world allows its Parliamentary supporters to dictate administrative acts," or could carry on "if individual administrative

acts were subject to the supervision of any outside body" (*The Age*, Melbourne, 21st April, 1914). In other words, the Labour Premier stood by the orthodox doctrine of Cabinet Government—that the Ministry holds office in virtue of confidence in its integrity and capacity; that this requires that it shall exercise its own judgment in matters of administrative policy; that its responsibility to the legislative body consists in the determination of the tenure of Ministerial office by the withdrawal of confidence, and that specific instructions in particular matters are in substance a withdrawal of confidence. Mr. Holman's declaration was accompanied by a significant exercise of authority. The *caucus* had shortly before resolved that one of the Honorary Ministers should not be appointed to any office. He was now appointed Minister of Public Health.

On the other hand, the Premier's opponents in his own party boldly attacked his appeal to precedent and theory. They alleged that the election of Ministers by the *caucus* involved an abandonment of the older relations and made an appeal to tradition meaningless—a Labour Ministry could make no higher claim to authority than as servants of the party, delegates who must conform to such instructions as they might receive. And in 1916, the Ministry in a very specific way recognised the *caucus* as the source of their authority, by tendering to it their resignations. The supremacy of the *caucus* over Ministers, the dissolution of the solidarity of the Cabinet, and the disappearance of the authority of the Prime Minister (for it is claimed for the Labour movement that "it represents a phase of evolution infinitely in advance of the days when the workers had to be led"), as consequences of the new system, were more explicitly affirmed in November, 1916. At the time, the Commonwealth Cabinet was on the point of breaking up on the issue of compulsory enrolment for service abroad in the European war. As a result of a public difference between the Prime

Minister (Mr. Hughes) and the Minister of Home Affairs on a matter of administration, a statement was issued in the name of the latter, which no doubt represented the views of other dissentient colleagues as well as his own. This statement affirmed that "*Caucus* should officially notify His Excellency the Governor-General of the Labour Party's method of selecting Ministers by exhaustive ballot, which destroys the ancient idea that the Prime Minister selected them. . . . The vital difference between the position of Ministers under Liberal and under Labour rule is the method of appointment. Liberal Ministers, being selected by the favour of the Prime Minister, can only hold office during his pleasure, and must resign should they disagree with the policy or methods of their leader. Labour Ministers, on the other hand, are selected by a vote of the whole party, and derive their authority from that source; consequently only that authority which elects possesses the power of withdrawal. The personal authority of the Prime Minister does not necessarily determine the attitude of other Ministers, for the Prime Minister is himself amenable to the same authority and has no personal prerogatives, apart from his position as elected leader of the party."—(*The Argus*, Melbourne, 14th November, 1916.) And after the purge of the party by the expulsion of the Conscriptivist leaders, which immediately followed, one of the demands of the majority was that, if they were called to office, their Ministry should hold frequent *caucus* meetings.

The tendency to base Parliamentary action on the acceptance of determinations arrived at in secret councils outside instead of on open deliberation in Parliament, is not peculiar to the Labour Party or to Australia. It is one of the factors contributing to the decline in the reputation of Parliamentary institutions. In certain developments it would break up the community of the Chamber, and substitute party delegations or estates, deliberating separately, and sitting together

merely to cast their block votes. It would substitute majority rule for government by consent.

The pledge has been described.

The pledge and the *caucus* in the Australian Labour Party were originally the means whereby a small section made up for its lack of numbers by its solidarity, and it was perpetuated by the foundation of the party on industrial unionism and the conception of political action as a phase in the general battle, partly political and partly industrial, for class rights or interest. Before the enemy there was no room for discussion—action required union and discipline. The system, as a common principle of political action, is one whose drawbacks increase as a party comes to have the responsibility for government. Obviously, a system which demands that the party shall cast a block vote determined by the majority, has cast out much of the moderating and persuasive virtue imputed by political writers to party: there is no longer the inducement to compromise and middle courses for fear of detaching the votes of moderate men. This is acclaimed as a merit, and a means of saving the party from the debilitating influences of Parliamentary life, with its love for caution and compromise. Parliament may be, and has been, by a narrow majority obtained in *caucus*, committed to important decisions contrary to the known opinion of a large majority of the House. The system tempts the formation of a *caucus* within the *caucus*, of which there were from time to time rumours. Moreover, in the case of the Commonwealth Parliament, there was the further constitutional objection that as the *caucus* included Labour Senators as well as Labour members of the House of Representatives, the body which might determine the action of either House consisted of a number of persons not members of that Chamber at all.

The pledge and the *caucus* prevented the party from gaining the active support of some sympathisers; they caused some defections; and they divided political opponents into those who assailed

these means and those who would have sought unity for their own party in the methods employed by Labour. But many men of capacity and integrity found themselves able to accept both. For many years the system was successful. It worked, it gave office and power.

But alongside the rivalry of Cabinet and Parliamentary *caucus* was the *conference*; and from 1913 onwards the *conference*, at any rate in New South Wales, claimed complete control over Cabinet and *caucus*. In addition to framing the platform of the party, *conference* had always been in the habit of discussing and coming to resolutions on various matters. It now claimed authority for these resolutions as directions to Ministers and members of Parliament. *Conference* resolved, in 1913, that nominations to the Legislative Council should be submitted for approval to the State Executive, a body formed as a permanent committee of *conference*. The claim to supremacy rapidly developed, until, by 1916, *conference* set itself up as the dictator of Parliamentary legislation, and as the censor of the administration of Ministers, and of the whole political action or inaction of Labour members of Parliament. These were bidden to recognise that they were but the servants of the *conference*, and responsible to it.

This was the position when the party, throughout the Commonwealth, split on the Conscription Referendum; and the expulsion of Mr. Hughes and Mr. Holman from the party was followed by some interesting expositions of the system as it had been and as it had become. The principle on which the Labour Party had been established, it was said, was the co-operation of the Labour members of Parliament, through the pledge and the *caucus*, for the attainment of a platform which had been adopted by a *conference* prior to the Parliamentary elections, and which was, therefore, known to and accepted by the electors who voted for a Labour candidate. The system left a Labour Ministry and the Parliamentary representatives of the party to determine

the steps to be taken to carry out the platform; subject to their ultimate responsibility to their constituents, they were free and independent. *Conference* could, of course, alter the platform, but such alterations became operative only on the consideration of nominations for the next election—if at that time a man felt that he could no longer pledge himself to the platform, he must stand aside. This system, it was said, was compatible with representative and responsible government. The system was changed not in detail only but in principle, when *conference* claimed to bind the members of a Parliament in being by its resolutions. This was, first of all, to bind the representative of the people by the decisions of a body which would represent only a small proportion of the electors. In the second place, it deprived the pledge of all its value as a guarantee to the elector, since every pledge would be subject to the new claim of the *conference* to bind and to loose. Such a system was inconsistent with representative or responsible government, and was fundamentally undemocratic.¹

The student of politics must determine which view was right—that the developments of 1913-16 were a deviation in principle from the fundamentals of Labour organisation, or that the pledge and the *caucus*, once admitted as the Labour Party had admitted them, were in themselves such a withdrawal of trust and confidence from the Minister and representative, such an acceptance of "machine politics," as to make inevitable the development of that condition of political servitude against which Mr. Hughes and Mr. Holman rebelled.

The Labour Party, as constituted since the split, is likely to tighten still further the control exercised over Ministers and members of Parliament,

¹ Mr. Hughes, in *The Argus*, Melbourne 15th November, 1916; Mr. Holman, in the *Sydney Morning Herald*, 8th November, 1916; and an article in the *Australian Worker* of 14th May, 1914, entitled, "*Who Rules—Caucus or Cabinet?*" by John Lynch.

and to carry further the measures for securing uncompromising majority rule. The position of the party in Parliament appears likely to diminish before the actual predominance of the "State Executive" as the permanent organ of *conference*. Opponents and dissidents credit the party, in some instances, with the adoption of a system of signed resignations, deposited in trusty hands, to be used as occasion requires (cf. "The Round Table," December, 1917, p. 180). The Labour Party may find that it has repudiated "political leaders" merely to instal the "party boss."

§ 5. The Referendum.

§ Reference may be made on this subject to an article in the *Quarterly Review*, 1911, by Professor Ernest Scott and the present writer.

The Referendum as a part of the Constitution exists only in the case of the Commonwealth and of the State of Queensland. The Commonwealth Constitution, being itself founded upon direct acceptance by the people, and being devised as a "rigid" Constitution, naturally provided that no alteration should be valid until it had been submitted to and approved by the people. The Referendum is also necessary for one other purpose—an alteration of the limits of a State. In the case of Queensland, the Referendum was provided in 1908 as the means of settling disputes between the Legislative Council and the Legislative Assembly. In no other case is the Referendum provided as part of a Constitution; but there have been several cases in which a Referendum has been held as an administrative act or under special legislation. Instances of the former are to be found in acts of the Commonwealth Government in 1916 and 1917, South Australia in 1895, Victoria in 1904; of the latter, New South Wales in 1903, and Queensland in 1909.

The fact that a Referendum is usually held at the same time as a general election deprives us of

some material for comparing them as a means of evoking public interest. But the Referendum of 1911 on the extension of Commonwealth powers—the question of the day—was held apart from any election, and recorded only about 54 per cent. of votes, as against 62 per cent. at the general election of 1910. On the other hand, the Conscription Referendum of 1916, also held apart from any election, resulted in a poll of 82 per cent. of the electors—the highest yet recorded in the Commonwealth.

The Referendum is not yet so much a part of the Australian system as to warrant many safe inferences upon it. The difficulty of working it in conjunction with responsible or party government, which appeals to many persons, is with others no objection—they want the Referendum to cure defects of the party system, and therefore do not ask whether the Referendum is consistent with party government, but demand that the party system should adapt itself to the Referendum. We can only point to a few considerations suggested by Australian experience.

The Referendum is advocated as a means whereby the elector can declare his opinion upon a definite issue, unembarrassed by the multitude of considerations which affect an election. This object may be frustrated in several ways. It is frustrated if the Referendum is held contemporaneously with a general election, and for reasons of administrative convenience and economy it usually is; or if several issues are submitted in one question, as where several proposals of constitutional alterations were contained in one Bill in 1911; or if over-much or over-little skill has been shown in framing the questions.¹ Where the Referendum is on a proposal granting additional powers (as an amendment of the Commonwealth Constitution) the matter is likely to be decided on the known policy of the actual Government or Parliament in respect to the use of the powers. The most notable cases of

the Referendum since the establishment of the Commonwealth are those of October, 1916, and December, 1917, when the Commonwealth Government submitted to the electors the question of compulsory military service. The submission was outside the Constitution, and as a reference by the Government to the people of a question with which Parliament had full power to deal, may be regarded as strictly unconstitutional. In that the vote of the electors had no legal force, and no value except as an expression of opinion, it did not differ from several of the cases in which a Referendum has been held in the States. But it did differ in that the expression was sought not as a guide to Parliament, but as a guide to the Executive Government. The Government declared that the measure was necessary, but from the nature of the case it was bound to withhold much of the information and knowledge upon which its opinion was based. The appeal to the people was, therefore, in a peculiar degree, an appeal to the people's confidence in the Government's capacity and judgment in a vital matter. The Government proposal was negatived, the Government remained in office, and, on a dissolution was returned with a large majority in April, 1916, but pledged not to introduce Conscription without a further submission to the people. By December, 1917, the military situation had become more urgent, and the Ministry informed the country that voluntary enlistment had failed to provide the necessary reinforcements. They, therefore, again submitted the issue of compulsory military service, and now expressly warned the electors that they could not continue in office without powers they considered necessary to carry through Australia's part in the war. The proposal

¹ If a State Government chooses the time of a federal election for a Referendum of its own, the pitch may be queered; and when in 1917 the Queensland Government took the opportunity of the Commonwealth general election to hold a Referendum on the abolition of the Queensland Legislative Council, a Commonwealth regulation forbade it. The Referendum was, nevertheless, held.

was again defeated more decisively than before. Then arose a novel situation—a Ministry with a large majority in both Houses pledged to resign because it could not undertake responsibility without power; no one under a constitutional obligation to take up the Government or in a position to carry on if he were willing to take office. Consequently, there was always looming through the Referendum the dissolution of Parliament. The conclusion was constantly forced upon people during this crisis that a dissolution has the advantage over a Referendum that it not merely decides an issue but establishes the conditions necessary for carrying on government in accordance with that decision. It reminded us that the conventions of our Constitution are not artificial rules into which we have blundered by chance, but the fruit of an experience which has been rich in experiments in government.

CHAPTER III.

THE AUSTRALIAN POLITICAL CONSCIOUSNESS.

By Professor Elton Mayo.

The main contribution which psychology makes to social science may be summarised in the assertion that the meaning which any ordinary object of his surrounding possesses for an individual is determined at any given moment by the general meaning he gives the world. If a vinegrower and a temperance reformer, for example, look simultaneously at a glass of wine, they see it very differently. The actual object, considered as so much colour and form, is approximately the same for both; yet one views it as an ordinary commodity of trade, the other as a thing of horror. To the one it is an everyday utility, to the other it is the outstanding "curse" of civilisation. The determining factor in each case is not so much the object itself as the kind of background against which it is seen. Every individual member of society gives some kind of total meaning to his world, a total meaning which reflects his past experiences, his life and character; and this total meaning goes far to determine the meaning of every lesser object for him—his attitude to any problem that may present itself for consideration.

This is a fact of primary importance for social science. The political party to which an individual nominally belongs does not actually create his political views. It may help him to formulate or to express, and in so doing may give a new direction to his thoughts; but the standard by which all ideas or proposals are ultimately judged

is the general meaning the individual has learned to attribute to his universe. This meaning is, for the most part, the joint product of his race-tradition and his experience in his profession or trade. These two operate jointly but not necessarily equally or consistently. The race-tradition is largely communicated through action, after the manner of a public school tradition. The public school does not inculcate moral maxims; it insists upon a certain code of conduct and leaves the individual to make explicit or not, as he may choose, the principles upon which such conduct is based. Comparatively few individuals in any society make, or are capable of making, any sustained endeavour to understand the tradition thus communicated to them. In such cases the tradition does not operate in trains of reasoning except as a "sentiment." In the latter form, as "patriotism" or "class-consciousness," it may exercise a powerful influence on conduct and yet, from the standpoint of an external observer, may be apparently inconsistent with the principles to which a given individual openly professes adherence. This probably explains why it is possible for many Australians to be strongly opposed to all forms of conscription and yet to be firm believers in the imperial destiny of the British peoples and to have several sons fighting the common enemy in France.

The other determining factor is, however, the more important. For every individual there is a special class of problems to which he is compelled to give the closest attention. His occupation presents him with difficulties which he must "think out" to the best of his ability both individually and in concert with his fellow tradesmen. Every group-occupation has its own skilled logic and tradition, and every member of a group understands, in greater or less degree, its special logic. This factor in development, therefore, affects communal thinking as the race-tradition does not. By this means the race-tradition is itself gradually

altered as the years pass; every political notion is brought to the test of this circle of ideas. The way in which each of us sees the world is determined, in the main, by the occupational group which claims us as a member. Educated or uneducated, logical or unreasoning, we are all creatures of an occupation; not wealth acquired, but work done, determines the angle from which we view society and the world.

Viewed from the sociological standpoint, society is composed of individuals organised in occupational groups, each group fulfilling some function for the society. Taking this fact into account, psychology—the science of human nature and human consciousness—is able to make at least one general assertion as to the form a given society must take, if it is to persist as a society. It must be possible for the individual to feel, as he works, that his work is socially necessary; he must be able to see beyond his group to the society. Failure in this respect will make disintegration inevitable. Social unity must be a conscious unity, known and recognised by every group and individual; the alternative is disruption. The occupational aspect of social activity is, therefore, fundamental; singleness of vision within the group, a right attitude of the various groups to one another and to the society—these things are an index of social health. The question we have to consider, with special reference to Australia, is whether with the development of society its power of internal cohesion has correspondingly increased. In effect, this question asks if it is possible for the individual to feel, under the conditions imposed by the present social order, that his daily work aids the fulfilment of a social function—it asks if it is possible for him to see beyond his group to the society.

The present social order in Australia, as in Europe, is largely a result of the industrial expansion of the nineteenth century. The beginning of the nineteenth century resembled the present era in that it was a period of rapid and

somewhat disorderly growth. In order that the civilised world might grow to larger powers, previous industrial systems had to be superseded. The process of supersession was characterised by an extreme industrial chaos, a chaos that was regarded as legitimate and right by the social and economic theories of the time. Competition, the survival of the fittest, was the chief article of the ruling economic creed; the politician was warned to refrain from interfering with trade and commerce. The twentieth century has seen the termination of this competitive disorder. From the chaos have arisen the twin forces of Capitalism and Industrialism, armed at all points. And the question of the relation of these to the social structure becomes imperative. What is the attitude of Capitalism and Industrialism to society? Do these great movements help the individual to see the society beyond his group-occupation, or is their vision limited by a wrong conception of class-interest?

The economic problems which an industrial group has to face at any given moment are the result of contemporary economic conditions; the manner in which the members of the group view these problems is largely determined by inherited traditions. These traditions, social and industrial, may of themselves create new problems or make more complicated those which already exist. If we are to ascertain what factors go to make up the mind of the working class or of the employing class, we cannot do otherwise than begin by examining the historic facts. In Australia the "industrialist" tradition is essentially English; English in origin, it is constantly renewed by the advent of English trade-unionists whose views tend to be more revolutionary than those of the native-born Australian. The working-class point of view with respect to social problems in Australia, as in England, is, in the main, the outcome of the industrial conditions of the nineteenth century. A

recently-published book* throws a lurid light upon the facts of nineteenth century industry. The authors show that boys and girls from the age of five upwards were employed in mines, working twelve hours at a time, "chained, belted, harnessed like dogs in a go-cart; black, saturated with wet, more than half naked—crawling upon their hands and feet and dragging their heavy loads behind them." Nor was this all; the new industrial system "made a money wage earned by women and children, as well as men, the basis of the workman's economic life." In other words, the employment of unfortunate children, under conditions such as these, was made a reason for paying their fathers less. "In respect of its enduring consequences," add the authors, "this was the most important fact about the new civilisation."

These children, when they grew to man's estate, were the workers of the next generation; as such, they were the persons responsible for the formation of the social traditions of the present working class. What can they have thought of the society that used their years of childhood thus? These are the facts which have converted practically all the technical and manual workers of our civilisation into Marxian Socialists. Wages and working conditions, especially in Australia, have improved, but the social scar remains. Even improved conditions have been won in the teeth of the opposition of the employing class. The average worker of the present sees industries not as social functions, but as the scene of a "class-war" between the employing and the working classes. He believes, and not without historic justification, that "capitalistic" society is altogether careless of his bodily and his mental welfare.

Beliefs of this description would not continue to survive if contemporary industrial conditions were such that the notion of a "class-war" could be

* *The Town Labourer, 1760-1832*: J. L. and Barbara Hammond.

shown to be obviously false. Unfortunately, there is all too much evidence of class opposition, which lends itself to easy description in Marxian terms. In August, 1917, coincidently with the Sydney railway strike, the waterside workers in Melbourne refused to handle foodstuffs for export, except for troops. The reason they gave for their action was that "profiteering" was going on with respect to the local food supply. The conservative press of Australia pointed to the fact of the extensive wheat accumulations, also to the existence of a Board to control prices, and claimed that the accusation of profiteering was unjustifiable. Some months later, an inquiry conducted by the Federal Inter-State Commission elicited the fact that traders had neglected to observe prices fixed by the Board, not only in Victoria but in other States. The reason for this neglect may well have been unsatisfactory methods of price-fixing, for price regulation is a difficult matter. But to waterside workers and to unionists generally the finding of the Commission not only "proved" the truth of the allegations of profiteering, but also proved the existence of a far-reaching "capitalistic conspiracy" against working-class interests.

The tradition of the employers resembles that of the workers in that it also is the outcome of competition and industrial chaos. It was not the average master of the nineteenth century who lived in luxury while his employees went in rags. Competition — unrestricted and unscrupulous — characterised the industrial field. The prevailing passion was for cheapness, irrespective of cost of production. Scarcities alternated with gluts; bankruptcies were distressingly frequent. The employer was forced by prevalent conditions of trading to consider his own interests or "go under." He had to have absolute control of his business in order to be able immediately to adjust it to meet the changes in external conditions which constantly occurred. Contemporary economic theory justified the belief that labour need only be

taken account of as a "cost of production." Adam Smith's dictum that economic processes are only "incidents in a larger moral order," seems to have been entirely forgotten. The advent of the joint-stock company and the shareholder served still further to increase the irresponsibility of proprietorship and management—and the conception of industry as merely a profit-making mechanism became the dominant feature of the employers' tradition.

In this century, conditions of trading for the masters, as for the men, have greatly improved. Competition is more restricted and less chaotic, the organisation of business upon a large scale is more common. But the evil legacy remains. In the employer's consciousness of the present the social responsibility of owners and managers is greatly obscured, and, further, the workman is still conceived as a mere item in the cost of production rather than as a citizen fulfilling a social function. Until there is a radical alteration in respect of these ruling ideas, "social unrest" may be expected to continue. The workman is put on a level with the machine he operates. No increase in wages or improvement in working conditions can atone for the loss of a sense of social function. Just as the men fail to realise the complexity of the economic issue, so also do the masters fail, most usually, to see that there is a social aspect to the problem.

II.

So far, this analysis of the social structure might have been applied to almost any industrial country, and, so far, it promises little in respect of internal cohesion or social unity. In Australia, worse follows; the social function of the more important occupations having been obscured, an attempt has been made to solve the resulting problems by political means. To social and economic ills, a political remedy has been applied. Since the appearance of the Australian Labour Party in 1893

"craft-unionism" has gradually changed its character and become political unionism, its fundamental tenet, once again, being the Marxian conception of the "class-war." The advent of the Labour Party and the political ideal—for it is political—of "one big union" were probably necessary in order to overcome the impersonal opposition of the rapidly developing capitalistic system, necessary, also, in order to bring society to realise that workers must be treated at least as citizens. But the effect has been socially unfortunate. Here in Australia the process is more complete than in other countries; industrial grievances have been generalised into a political party issue. Society is described as the scene of a struggle between a group of masters and a group of men—an analysis which disregards the fundamental facts of human nature and social organisation. The social fabric is rent asunder right across the majority of the larger occupational groups, and every industrial function tends to lose sight of its social end and justification.

The political division does nothing to mend the industrial breach, to re-achieve an integral unity. Rather, it stereotypes and makes permanent the artificial fissure, thus retarding healthy growth. Economic problems can only be solved by economic means; in Australia the political and economic activities of society are hopelessly confused. It is practically impossible to discuss economic problems—much less to solve them. Every economic difficulty is immediately generalised as a political issue—witness the conscription campaign—the public takes sides, and thereafter public discussion implies emphasis of one aspect and suppression of other, equally vital, aspects of the problem. This serves only to divert attention from real and urgent issues, which often are not even placed before the public. So long as this condition of affairs persists we may say, with Comte, that we cannot expect to have stability in our civilisation or unity and peace in our social life.

The manner in which the political division exacerbates industrial difficulties may best be illustrated by brief reference to the recent railway strike in New South Wales. The conscription campaign of 1916 left behind it much bitterness, and left also in the minds of many unionists a conviction that the war was being made use of to deprive trade unions of their hard-won privileges. This impression was sedulously fostered by the Labour Press. Early in 1917, there was a general election in New South Wales. The Nationalists forswore conscription; and the election surprised both parties by resulting in an overwhelming victory for Mr. Holman and his Nationalist colleagues. The Federal elections followed, with a similar result, and the unions, thoroughly alarmed and distrustful of the Nationalist election pledges, formed anti-conscription committees. Rightly or wrongly, public rumour attributed to these committees the intention of organising a general strike. No doubt with this in mind, the Minister for Labour in the new Holman Cabinet, Mr. Beeby, publicly announced that the unions would no longer be allowed to create industrial chaos at will. The Labour newspapers made much of this pronouncement, interpreting it as a direct threat against unionism. And the Railway Commissioners chose this moment for introducing a new card-system and refusing to listen to any suggestion of compromise. The Labour Party concluded that this was the threatened attack on trade-unionism. ". . . it is the gloomiest feature of the present trouble that for many months there have been rumours abroad that capitalism in New South Wales was going to use to the full the State power regained by playing on the patriotic feelings of the people last March . . ." The trouble developed in two ways—first, Mr. Fuller, the Acting-Premier, instead of retaining for the Government the *role* of third party and authoritative mediator, gave his unqualified support to the Railway Commissioners; second, the area of industrial disturbance was

greatly increased by "sympathy" striking. The unions appointed a strike committee to control their affairs; the employers of Sydney retaliated by meeting daily to devise means of supporting Mr. Fuller and the Railway Commissioners. These events had the effect of broadening the issue to a struggle between "Capitalism" and "Industrialism," and, further, gave a semblance of "rebellion" and "red-rag revolution" to the action of the railway employees—a development • for which they were not primarily to blame. At once the controversy became extremely bitter. A Labour newspaper, in a leading article, entitled "Capitalistic Bludgeoning," declared that the Government was "playing a desperate game in order to give unionism a smash from which it is hoped it will take many years to recover." The other side retorted by asserting that the strike was inevitable and had to come. "This is no strike born, as some would have us believe, of political discontent and industrial unrest. It is something of a far more sinister nature, and the great body of the strikers . . . are merely the dupes of clever schemers who do not belong to Australia at all." • "There can be no neutrality in a fight of this kind. We must either range ourselves on the side of constitutional government or on the side of treason and anarchy."

Enough has been said to show the danger to society of political organisation upon "class" lines. The smallest disagreement or misunderstanding is liable to extend immediately into a rift that splits the community from end to end—a chasm across which no bridge can be thrown. This state of affairs is the result of a mistaken political development and is not to be cured by "better organisation" or the advent of a "strong man." The stronger the man and the better the organisation, the more hopeless is the consequent rift—for the whole movement is definitely anti-social. In Australia the so-called "Liberal" and "Labour" parties do not even begin to understand each other,

and make no attempt to do so. Each party has its own special social logic, and each party concentrates its gaze upon a particular part only of the social structure, and disregards all else. The "Liberal" consciousness is "patriotic," but by tradition and sentiment rather than reason; it accepts this part of its social creed uncritically and, since it does not study social philosophy at all, without any real comprehension of social obligation. "Liberal" leaders are well equipped to deal with legal and commercial problems, but are entirely ignorant of political and economic science; for this reason, no doubt, they tend to visualise society as a vast "master and servant" arrangement and to be irritable if "orders" are not obeyed. Yet there is nothing in the political history of civilisation which would lead us to conclude that capacity to manage a factory or wool store is of itself sufficient mental equipment for a legislator. The experience of recent years would seem to suggest that just as it is unwise to place the politician in control of commerce, so also is it unwise to place the commercial man in control of politics.

The Labour consciousness is the result of much study and thought—though of a narrow, and often perverted, kind. For this latter defect the rank and file of the Labour Party cannot be held to blame. For a century at least, society has been even more careless of working-class minds than of working-class bodies. Democracy gave workers a vote, but no instruction how to use it; the State conceded the right to form unions and to strike, but taught its citizens nothing of human nature and that mutual dependence which is the essence of social organisation. What wonder if, with many obvious disabilities and injustices before their eyes, the workers accepted the guidance of the agitator and social revolutionary. That more harm has not been done is witness of the sanity and strong common-sense of the British workman. But although this is so, the time has come when the movement

towards excessive "class-consciousness" in Australia must be arrested. So far has it already gone that many workers seem to believe vaguely in the possibility of a Bolshevik State which consists entirely of proletarians and determines every issue by a popular vote. This tendency is carefully nourished by the Labour press for political party reasons, with the result that the economic aspect of the social problem is never fairly discussed. Statements such as the following are greatly in vogue:—"Rent, Interest and Profit—the three bugbears that cause all the want, misery and suffering in the world to-day. Substitute Socialism, and they would vanish as a dream." It is always easy to be rid of difficulties by assuming a world in which they do not exist, but the proceeding solves no problems, and is, practically speaking, useless. Socialism, treated as a matter of practical politics, suggests public ownership and the political control of industries. There is no reason at all for supposing that Socialism would do away with rent, interest and profit. Payment would still have to be made for a factory site, also in order to induce people to save money for governmental and industrial purposes. And the industry which did not show some sort of credit in its financial statement would probably show a debit—a result which would not tend to decrease the "want, misery and suffering in the world."

Capitalism and Industrialism in Australia have taken possession of the political as of the economic field, and have rent the social fabric asunder. They are actively engaged in endeavouring mutually to suppress each other, and, meanwhile, the interests of society as such are disregarded. Capitalism tends to assume that superior skill implies a right to ownership and absolute control, also, conversely, that ownership implies superior skill; Industrialism tends to discount the factor of skill altogether—in the effort to be "democratic."

In all this Australia is making payment for ignorance and a defective social philosophy. The

social studies of the nineteenth century were political economy and political science. Political economy concentrated its attention upon the economics of competition rather than collaboration. Political science tried vaguely to equate the principle of majority rule with the doctrine of the "general will." What could be more natural than to suppose, when the principle of competition failed, that the principle of majority rule must be applied? Since the advent of Socialistic theories there has been an increasing tendency to identify national organisation and political control. "Liberalism" dislikes the idea, but the tendency, none the less, affects all political parties in Australia. Socialism, by reason of its humanitarian bias and its dictum that the general interest comes first, has always possessed a strong attraction for the social reformer and the working-class. Yet, when all is said, Socialism is, in the main, a "muddled" way of thinking about political and economic problems. The central thesis of *laissez faire* was that the politician must keep his hands off trade and commerce. It was this doctrine which made possible the industrial expansion of the nineteenth century, and we need its counterpart now. The defect of *laissez faire* was that it saw no alternative to the "political" organisation of industries but individualism—a competitive chaos. As a corrective of this industrial chaos, Socialism can suggest no better expedient than a return to political control. This suggestion entirely misses the importance of the distinction, which *laissez faire* drew, between the political and economic functions of society.

The political function—the State—is relatively passive and critical; it is, or should be, a moral function. The economic is the active, energetic aspect of the national life. From the political standpoint, properly so-called, society consists of individuals, all of whom count alike before the bar of public morality. From the economic standpoint, society consists of individuals organised

in groups, each group fulfilling an economic function for the society. The politician cannot actively direct the group, because it is his duty to criticise, and to record in statutes, the relations between individuals and groups. Should a politician attempt to control an industry he must either fail to do his duty as a politician or delegate his industrial powers to another. In the latter event the relation between the politician and his deputy can serve only to hamper the industry, to hinder its proper development. In all probability it is only those social functions which have become stereotyped social habits that are capable of being successfully administered as a civil service.

There is no need to suppose that "national organisation" implies the necessity of a direct political control of industry. Our lack of social unity is due to the fact that the majority of the larger economic groups are internally at variance and in conflict. In the first place, there is no collaboration amongst producers; and, in the second, there is the conflict between employers and employed described above. So long as this condition of affairs persists, no single industry is likely to develop a sense of unity or social function, nor is it likely to develop the intelligence and vision which the international situation imperatively demands. If "national organisation" means anything, it means the organisation of every social function as such. Gierke and Maitland point out that social growth is growth in respect of the groups which together make up the society. Unless every social function is allowed a full measure of self-control, subject to political criticism, social growth must cease.

Political class-division does not, however, show itself only in Australian public affairs. In a more subtle form it appears as a Court of Industrial Arbitration. This device is employed in Australia to an extent far greater than in any other country

except, perhaps, New Zealand. So far as arbitration encourages the mutual discussion of difficulties by masters and men, the effect is excellent. Every social writer from Bagehot to Tarde has recognised the importance of rational discussion as a factor in social progress. But the notion of an Arbitration Court goes far beyond this. The Court comes upon the scene armed with all the panoply and majesty of law and judgment. Its primary assumption is that the interests of masters and men cannot be made identical, that the intervention of an intermediary is necessary in the general interest. This assumption may be sufficiently true in a particular case; it does not follow that the generalisation of an intermediary into a permanent social institution is a wise proceeding. So much at least is certain, that since the advent of Arbitration Courts, trade unions have tended to devote their meetings mainly to discussion of the arbitration "log" of wages and working conditions and to give up all pretence of interest in technical trade problems. So far as arbitration is responsible for this, it must be held to have widened the social chasm separating masters and men and to have counteracted the notion of the "class-war." In effect, arbitration recognises and legalises social disintegration.

But this is not all. The arbitration Judge is set the hopeless task of producing by regulation that which can only be spontaneous—growth. The incessant multiplication of restrictions—"two hundred typewritten pages"—does not aid an industrial function to develop to new powers; it serves only to hinder it. Progress cannot be achieved by prohibition. Decisions of the Court may restrain unruly growth or prohibit undesirable practices; they possess no power of initiative or leadership. The real problem which faces Australia and the civilised world is how to set each social function free to do its best for society. The remedy of the worker's ills will be accomplished

not by regulation but by making him share the responsibility as a partner and a citizen in the broadest sense.

III.

But social disunity will not be remedied until society realises that a chaos of petty competitors, sundered by a false conception of a "class-war," cannot be united by a sense of social collaboration. Mr. Justice Jethro Brown, President of the South Australian Arbitration Court, has entitled a recent treatise, *The Prevention and Control of Monopoly*. If monopoly is prevented, then the development of a consciousness of social function is prevented, social unity becomes impossible of achievement, and social disintegration must continue. Of late, however, "trusts" and "industrial unions" have been increasingly in evidence. This dual movement represents a great improvement upon earlier Socialisms; both are definitely economic moves in the direction of economic unity. Both, unfortunately, have come under suspicion of being inspired by class-interest; this by reason of the unduly partisan form industrial discussion publicly assumes. Trusts and industrial unions might very well be considered as pointing the forward path to society. Both alike aim at the organisation of a social activity as such, and would, therefore, tend to bring a sense of social function to consciousness.

Social organisation upon such a scale will, however, only widen the area of disaster unless we learn to face our problems with clear eyes. If, as Professor C. A. Ellwood has said, "the world of our forefathers has, within a generation, enlarged and burst its bounds," then it follows that our vision, within a generation, must be correspondingly enlarged. The alternative is the road of ignorance, of social disintegration and decadence. The triumph of one social group or class over another means disaster for all; no group stands alone. The more complex our society becomes, the more necessary is it for us to be able to brush party

falsities aside and face stark fact. The individual must learn to see life steadily and see it whole. He must be taught that the essence of social organisation is mutual aid, not mutual hate. At present the tendency of the various groups and classes is to impose on the individual partial views, to commit him to something in the nature of a campaign on behalf of his class and against society.

In Australia, education does nothing to correct this tendency. An ignorant and hard-headed practicality dictates every public estimate of mental training. Even in the Universities this influence is far too strong. Faculties of medicine, of engineering and of law flourish; the faculty of science is expected to do "practical" research. The faculty of arts is caught in a vicious circle and trains its students to retail subjects which are only studied because they are required for professional matriculation or the equipment of a "teacher." A Labour newspaper voices the general view, somewhat crudely, thus:—"More time than usual was given to the Education Estimates this year. Much horse sense was talked when the establishment of dental and medical schools was advocated. Either of the latter would have been more useful to the State than the arts as founded. We could well have left the dreamers, snobs, and other graduates in arts to gravitate hither. . . ." (21st December, 1917). It is precisely this attitude which has prevented the various arts faculties of the Australian Universities from justifying their existence; financial assistance is only readily forthcoming for professional schools. Yet the social and industrial problems Australia is compelled to face are at least as practical and as urgent as any technicality. The general result, so far as the Universities are concerned, has been to confine arts studies to a few starved and unrelated specialisms. The Professor of Economics in Sydney, in spite of an eloquent appeal for the development of the social sciences,

has as his assistants lecturers in commercial law, business practice and accountancy. Queensland has no lecturers definitely specialised to economics, political science or constitutional history. The topics of social psychology, social anthropology and sociology are not studied in Australia at all. It might indeed be said that our social troubles are due to failure to educate. Professional or occupational training is, of course, necessary, but a training that is merely technical will do nothing to help society to that clearer vision which is the condition of enduring progress. In America, a country which is intelligent and "practical" enough to satisfy the most exacting critic of universities, departments of social study and research are a special feature of academic work. America has come to the conclusion that understanding of the facts of society and social training are at least as important as technical efficiency. The endowments of the State Universities show that they are regarded in the United States not as luxuries but as necessary to the right development of the national life.

The truth is that America has realised that if she is to have universities, she must see to it that they are capable of taking their proper place as a rational influence in the social organism. In Australia, we have not recognised this important truth—with the result that our developing society tosses rudderless amidst the irrational forces of political party spleen and class bias. Those individuals who desire to study and to know are largely powerless to help themselves to a wider and more truly social vision. Beyond the shores of Australia, the world-storm rages with increasing intensity; our will to internal cohesion is constantly disturbed by social disorder and a class-hatred that is fast becoming stereotyped. Yet we alone, of all the civilised nations, give no serious consideration to the deeper social causes of disorder. *And our capacity for social unity and peace diminishes,*

CHAPTER IV.

THE LABOUR MOVEMENT IN AUSTRALIA (1788-1914).

By G. V. Portus.

It has been customary to regard the Labour Movement in Australia as beginning from the time of the gold discoveries in 1851. The period 1788-1850 is lightly passed over as furnishing little actual evidence and no real justification for a Labour movement. Recent research is shaking the stability of this theory. Even in the early convict days there was a labour problem and, to some extent, a labour monopoly. Such was the necessity for labour in the young settlement that the working day of the convict had to be divided into unpaid time on public works, which was regarded as part of his sentence, and paid time worked for settlers, which was regarded as the convict's own, and for which he kept the reward. And although the early governors fixed piece work prices for such outside work, the scarcity of labour drove actual payments for it far above the scheduled price, and the governors were obliged to accept and recognise this. It is doubtful, however, whether this phase of "convict free labour" affected subsequent Labour activities very much.

By the twenties the convict labour monopoly had been broken by the arrival of immigrant artisans who were sufficiently alive to the possibilities of the situation to protest continually against the practice of assigning convicts to work for outside masters for little more than their maintenance. But up to 1829 there appears to have been no organisation of these immigrant artisans on trade union lines. In

the next few years we meet with some ventures in the field of co-operation and mutual benefit. The Australian Union Benefit Society, founded in 1834, still exists, but most of the attempts were abortive. No anti-combination acts against Unionism had been promulgated in New South Wales, and the artisans were free to combine as far as the law was concerned. There were occasional strikes over currency and assignment questions, but the first real Trade Union appears in 1833, when certain immigrant mechanics formed a society, one of whose objects was the maintenance of London piece work prices in the furniture trade. Nearly three years later (1835) the Typographers, who had a tradition of sturdy independence in the early days, formed a fighting Trade Union, and the records of the next ten years show the formation of at least thirteen other societies among different groups of artisans, most of which appear to have been authentic Trade Unions. These societies helped each other in industrial disputes, contributed to support friendly and radical newspapers, paid benefit funds, and maintained embryo labour exchanges at certain "houses of call." Strikes for higher wages, and for the limitation of apprentices, and agitations against the employment of Chinese in the woollen mills, all occurred during the thirties and forties, and it seems impossible to doubt that there was something in the nature of a labour movement in existence during this period. But until the forties it appears to have been a very small and disjointed business. There were ten Unions in existence in 1840, with a membership of between thirty and forty each. At the higher figure this means 400 unionists in a population of 127,300.¹

From 1840 to 1843, however, there is some evidence of a wider combination among the artisans on political lines. In 1840 the members of the ten existing unions presented a medal to a civilian, W. A. Duncan, for his disinterested opposition to a harsh Masters and Servants Act. In 1842 an advertisement in Duncan's newspaper called "the trades

delegates" and others to a meeting to protest against the importation of coolie labourers into the colony. And in the following year two large public meetings were convened to petition the Government and the Crown against the continuance of the convict system and the importation of coolies. These petitions were certainly in the labour interest, but the convict question was a burning one to many beside the artisans. The meetings really were political demonstrations preceding the first General Election in New South Wales. Twenty-four members were to be elected to the Legislative Council of the colony, but the franchise was limited to those possessing property worth £200 or paying £20 in rent. There could not have been many artisans possessing these qualifications in 1843. And any political labour movement of the time had to find some other weapon than the vote. The weapons adopted by the operative leaders in the early forties were the demonstration and the petition, either to the Governor or to the Crown direct. It is not clear to what extent these weapons were adequate for the operatives' purposes. The demonstration of 1843 failed to prevent the opponents of the demonstration from heading the poll; and although the petition against coolies brought a reply that such a step was not contemplated by the Imperial Government, there is nothing to show to what extent the decision was due to this petition. Another petition to the Government in the same year, re-echoing the old protest against the practice of assignment of convict labourers on the grounds that it caused unemployment and distress, accomplished nothing, for assignment was continued until 1845. Hitherto what united agitation had taken place appears to have been directed by a body of delegates from the various Unions helped by one or two public-spirited men outside the artisan ranks. The failure of these petitions, however, suggested to several of the leaders that the time had come for a political union as a means of influencing the Government in favour of the labour interest. And in August, 1843, the

Mutual Protective Association was formed "to avert the evils under which the operative class were labouring." But membership was open to unionists and non-unionists and also to middle-class sympathisers. It would thus seem to have been more like a modern Liberal association than a distinctively Labour body. It should be remembered that there was a radical element in Australia's population from the first. The transported convicts were not all the ordinary criminals of English gaols. There were among them a number of political prisoners. The conservative suspicion on the part of the British Government during the early years of the French Revolution of anything which savoured of revolutionary excess is reflected in the deportation of the "Scottish Martyrs." They were men of advanced political views, advocating parliamentary reforms, and were transported after their conviction for sedition in 1793. Another turbulent stream of radicalism was furnished by the deportations for sedition which resulted from the Irish Rebellion of 1798 and its aftermath. Still another radical leaven came in 1834 with the transportation to Tasmania of the six Dorchester labourers—victims of the panic fear of the British Government concerning early Trade Unionism. The influence of all these men must have created, even in the early years, a body of public opinion which would be attracted by the idea of helping Labour to right what they thought to be its wrongs. But the M. P. A. accomplished little or nothing for the operative, being distracted with current politics. Trade Union activity did not wholly cease after 1843. During the later forties we read of strikes and of the formation of new unions, and in 1846 Gladstone's suggestion to re-introduce convictism, which had been abolished in 1840, provoked an excited open-air meeting of the operatives and others at the Sydney Racecourse. The petition they forwarded to the Crown was, significantly enough, presented by T. S. Duncombe, the Chartist and Trade Union protagonist in the English Commons.

But here again, as in 1843, the question at issue touched a much larger circle than the operatives. It is not clear that these artisans were a class apart in politics, and it is, therefore, difficult to talk about a political labour movement during the first half of the century. Especially in the early forties, contemporary politics confuse the economic alignment of the various interests in the colony. Primarily the operatives were opposed to the squatters or landowners, who supported convictism. These men desiring labour for their land, which was a monopoly in their hands, were the natural foes of the mechanic immigrants and labouring classes. For not only did many of the latter hope for a breach in the land monopoly that would enable them to become small proprietors, but even those who expected to continue as artisans or labourers felt the competition of the convicts and assigned servants whom the landowners were so eager to retain. Yet the policy of Governor Gipps (1838-1846)—an officer of the Imperial Government at a time when the colonists were beginning to chafe under Imperial control—not only led him into sharp opposition to the landowners, but also gained for him the dislike and suspicion of many other sections who were induced to ally with the squatters on a policy of opposition to the Governor, although their interests outside of this did not naturally coalesce.⁽²⁾ This cross section cut through whatever solidarity existed in the nascent labour movement, and, at a time when its numbers were, as we have seen, very inconsiderable, succeeded in making its influence negligible. Not until towards the end of the forties, when Gipps' retirement had cleared the air, did the operatives begin to take up again the struggle against their natural foes—the landed monopoly ⁽³⁾. But before this movement could effect much the whole economic situation was changed by the discovery of gold in 1851.

It is thus impossible to deny that a labour movement, in some sense, existed before the epoch of the gold discoveries. Unionism, industrial struggles,

political action—all these things appear in the period before 1851. But they do not, on the whole, seem to have accomplished anything permanent, nor to have established any distinctively Australian Labour tradition, although they exhibit the tendency, already strongly present in these early years, towards the support of working-class reform by middle-class idealists and sympathisers. There does not seem to be any reason to assume that the subsequent history of the Labour movement in Australia would have been substantially different if there had been no specific Labour activity before 1851, as writers on the subject have hitherto assumed. But it is unquestionable that this assumption has been incorrect.⁽⁴⁾

The year 1851, memorable in many respects for Australia, marks a new era—the era of the gold discoveries. These had an immediate effect upon industrial relations, and from that time we may assert that a new Labour movement had come into existence. For some time the movement was almost purely industrial, and its first result was a great stimulus in Trade Union formation. But the pronounced democratic leanings of many of the newly-attracted settlers, which urged them along the path of Trade Unionism when opportunity offered, made it certain that their activities would quickly take a political direction of some kind. For the Australian gold rushes of the fifties formed a literal exodus of democrats, liberals, and revolutionaries from the bondage of the Pharaohs of reaction in Europe to a land that promised them not only gold but also self-government. Englishmen left behind them the wreck of the Chartist movement in 1848 and the terrible experiences of the "hungry forties." Irish immigrants abandoned an Ireland desolated by the potato famine of 1845-7 and racked by the rebellion of 1848. ⁽⁵⁾ London in the early fifties was full of the broken men of the '48 in Germany, France and Hungary—Kossuth, Mazzini, Louis Blanc, Schurz, Liebknecht, and even Marx found refuge there. And many a

heart-sick patriot left his old fatherland of reaction for the new country of large spaces, large fortunes, and large possibilities. But whatever they left behind, they carried away with them to the land of their adoption a bitter distrust of *laissez faire* in economic affairs and a fervent hatred of autocracy in politics. It is not suggested that the majority of the gold-seekers were revolutionaries and reformers. But there was an unusually large proportion of such men among them. Moreover, most of the immigrants were of the type that gold attracts, adventurous, roving spirits, with little to lose and much to gain, impatient of restraint, sudden in quarrel, and resentful of constituted authority, but much inclined to a large tolerance and generosity. With this influx to neutralise the political tendencies of its landowning squatters and its hitherto rather conservative politicians, Australia started along the path of self-government.

The influence of the goldfields upon the Labour movement was, for the most part, indirect. Administrative efforts to police the diggings and to extract revenue from the miners culminated in the Eureka Stockade of 1854 at Ballarat, in which between thirty or forty lives were lost before the rebellious diggers were overpowered. This incident is regarded by many of the workers in Australia, especially among the miners, as the first pitched battle between Capital and Labour—a kind of economic Runnymede of Australia. Such a view is hardly correct. It was not a struggle between Capital and Labour, for the miners were not wage-earners but small capitalists, and their opponents were not capitalists but the administrative authorities of Victoria. Nor was the liberalisation of government institutions which followed due to the Eureka incident. What, however, is of great interest in this affair is the formation of the Ballarat Reform League which, besides championing the diggers, put forward a political programme, whose planks, embodying manhood suffrage, abolition of property qualification for parliamen-

tary candidates, short duration of Parliaments, and payment of members, reproduce four of the six points of English Chartism. Another demand for the submission to arbitration of disputes between the miners and the authorities curiously anticipates the political Labour policy of forty years later.

OL The rough-and-tumble of goldfields life also brought once again into dramatic prominence another question which was destined to become a burning matter of later Labour policy—that of the restriction of alien immigrants. The lure of Bathurst, Ballarat and Bendigo had not only attracted the adventurous spirits of the West, it also brought thousands of Chinese to Australia. A violent antipathy to these industrious Orientals soon arose among the British-born and native miners, and this feeling culminated in the Lambing Flat Riot of 1861 in New South Wales, where the Chinese on the field were badly mauled. Not until nearly 200 troops were sent from Sydney was the disorder suppressed. The objection to the Chinese seems to have been that they were too thrifty, a charge which was soon to pass over into the more general one of cheap labour. The exhaustion of the nuggets and alluvial gold deposits solved the Chinese problem on the goldfields, but an agitation against Chinese labourers, especially as producers of cheap furniture, continued to exist, and was sedulously kept alive by the Trade Unions. Several immigration restrictions against Orientals were obtained by the ~~Trade Unions as the price of their political support~~ long before the ~~advent~~ of the Labour Party proper in politics.

But, as has been said, the influence of the goldfields on the Labour movement was indirect. After a short time, gold-mining passed from the unorganised, eventful alluvial period into the organised, industrial, capitalistic stage. The latter stage was more prosaic though even more profitable. The stampers and poppet heads of mining machinery replaced the pick and shovel of the miner, the sluice replaced the tin-dish, and the

red-shirted digger passed out of the picture. But where was he to go? The gold which had brought him there helped to answer the question. Now, for the first time, the means of promoting industry on a fairly large scale was possible in Australia.⁽⁶⁾

The great majority of the new arrivals made no fortunes on the diggings and resolved to settle down in the new country at the trades which they had previously deserted. Most of these men flocked to the cities, generally to Melbourne or Sydney, where surplus labour and investible capital came together in sufficient quantities to begin a new industrial era for Australia. Many of the immigrants had been English Trade Unionists, and they set to work to organise the body of labourers among whom they found themselves.

The building trades were the first to feel the impetus towards Trade Union organisation. The sudden increase in population in Melbourne sent house rents soaring ⁽⁷⁾, and the incessant demand for accommodation made for substantial increases in wages.⁽⁸⁾ The Governor of Victoria complained that mechanics would not work even for advances in wages of 350 per cent. One of the first of the new Unions in Australia appears to have been the Operative Masons' Society of Melbourne, founded in 1850. This was followed, during the next ten years, by various Unions, principally in the building trade.⁽⁹⁾ These societies immediately set themselves to secure for their members an eight-hour day. For some time there appears no agitation for better working conditions or wages. The objective is the "forty-eight-hour week." The reason of this was that the great increase in gold production resulted in the payment of high wages all round, and though prices rose for the same reason, the men seemed to be content with a nominal wage so much greater than they had received before coming to Australia. They had not realised that real wages had not increased to anything like the extent they imagined. The Eight Hours Day was soon secured by the Unions in the

building trades—in New South Wales in 1855, in Victoria in 1856, and in Queensland in 1858. Encouraged by this success, Unionism developed in other colonies, and when the eight-hour day was secured in South Australia (1873), in Tasmania (1874), and in Western Australia (1896) the first complete success of Australian Unionism was achieved.

Meanwhile, economic developments were focusing the attention of the Unionists in the capitals upon the other two classic aims of Trade Unionism—wages and working conditions. After the gold rush, there was an inevitable reaction which, among other things, tended to reduce wages. The Unions strove to resist this, but were hampered by the continual flow of disillusioned men from the goldfields into the capitals, where they formed a reservoir of unemployment, which enabled the masters to force the Unions to accept the reduced rates. This period of falling wages continued until the early seventies. In the meanwhile, the Union movement had spread to the mining-camps and towns, where societies like the Miners' Association of Victoria began to agitate for the better regulation of their industry, for improved ventilation and inspection of machinery. These miners were now no longer small prospecting capitalists, but wage-earners in an industry, concerned to fight against conditions imposed upon them by those who hired their labour. They soon began to learn how to use their political weight, and in 1877 the Victorian Government of the day substantially incorporated their demands for better regulation and inspection of mines into a legislative act.

In another direction, already referred to, the Unionists were beginning to test their political strength. The agitation against Asiatic immigration still continued, and though several strikes against working with the aliens occurred on the goldfields, and in the coastal shipping trades, the fight was mainly carried on by political weapons.

So influential did this agitation become that it captured a public far wider than the miners and wage-earners. As early as 1855, the Victorian Government passed an Act restricting Chinese immigration, and it was followed by stringent measures in New South Wales and Queensland. These were passed almost in open defiance of the protests of the Imperial Governments, which did not consider them as helpful to its own contemporary policy towards China. The repugnance of the Australian people was, however, too great and too strongly expressed in this matter for the Imperial Government's protests to be heeded. Anti-Chinese leagues sprang up in all the States, and many a budding working-class politician served his forensic apprenticeship in denunciation of the wily Chinaman and all his works. The feeling on this matter was so strong that it even transcended the parochialism of the several colonies, and in 1888 an inter-colonial congress was called by Parkes to discuss the whole matter. This was as far as Australia could go in the matter of a common policy of exclusion until the establishment of Federation in 1901.

This agitation is worth noticing for several reasons. It really marks the beginning of what is known as the White Australia policy. The nearness of China to Australia had always appeared as a menace. It was so regarded in the first place by the gold-miners and later on by the workers in the furniture trades. But the growth of this feeling among the public who were not wage-earners or gold-miners shows that the menace was regarded not only as an economic but also as a racial one. During the nineteenth century the protagonists of exclusion fixed their gaze almost exclusively upon China. Not until the rise of the Japanese power, its defeat of Russia, and its subsequent alliance with Great Britain, was the Chinese menace superseded by the Japanese menace, of which so much is heard to-day. The very general spread of the anti-Asiatic feeling is one of the first indications of

national self-consciousness in Australia. And it can be fairly claimed by Labour supporters that this contribution to nationalism came originally from the ranks of Labour. Yet the readiness with which the feeling was shared is evidence of the existence in Australia, even in the fifties and sixties, of a high general conception of welfare for those who labour and a widespread desire, in this new country, to maintain a decent standard of living for those who labour with their hands. This general sentiment has always proved a source of great strength in realising the aspirations of the workers, and Labour in Australia owes far more to it than is commonly acknowledged. It was this sentiment in the matter of Asiatic exclusion which the Trade Unions exploited to gain restriction Acts from the various Legislatures long before direct representation of Labour in Parliament had been accomplished.

Thus, by the early seventies a Labour movement in Australia was firmly settled on the craft lines of English Trade Unionism. The Unionists had learnt the value of solidarity in negotiation with the masters; battles over wages, terms, and conditions had been fought and often won, and, moreover, the possibilities of applying Labour's political strength to redress Labour's grievances had begun to be apprehended. But so far the Trade Union movement had only seized the city artisans and the miners. The chief centres of Unionism were the capitals, where artisans, factory hands, wharf labourers, and seamen naturally congregated. Outside the capitals practically the only Unionists were the workers in the gold and the coal mines, and of these the latter were rapidly becoming the most aggressive labour organisations in the country. Australia was then, as she is now, a country of primary production rather than of manufactures, and her greatest sources of wealth were her minerals and her wool. So far, however, the workers in the pastoral industry were quite unorganised, lack of communication and the

nomadic character of the shearers' work proving an effective hindrance to Labour propaganda.

For the twenty years between 1870 and 1890, the story of the Labour movement is one of steady expansion and increased recognition on its industrial side, together with occasional incursions into politics, and a growing sense of solidarity, not only between town and country Unionists, but also between the workers of the various colonies. The period was one of gradually falling prices all over the world, and increased productive activity in Australia in all industries—pastoral, agricultural, extractive, and manufacturing. The falling prices naturally reacted upon wages, and the advantages of combination in combating this tendency became more and more apparent to the unorganised workers. Strikes were not infrequent, and, helped by the favouring economic conditions, were often successful. By 1885 there were about 100 Unions in Australia, and their membership has been estimated at about 50,000, out of a population of nearly 2,700,000.⁽¹⁰⁾ This development had brought to the front the question of legal recognition of the Unions. Hitherto Australian Unions had been subject to the provisions of the English Acts of 1824 and 1825, which had reversed the anti-combination legislation of 1799 and 1800 and had made combinations of workers legal, so long as such combinations were not judged to be in restraint of trade. This position was hardly satisfactory, and following on the passing of the Trade Union Funds Protection Act of Great Britain in 1869, an agitation arose in Australia to secure a legal status for the Unions which would protect their funds. As a result of this, Acts were passed, modelled upon the English Acts of 1871 and 1876, by all the Colonial Legislatures between 1876 and 1902.⁽¹¹⁾

This agitation, together with that against the Chinese, and the rapidly-growing feeling among Australian workers against the policy of State-

assisted immigration, was gradually driving the Unionists of the various colonies to realise their community of interests. The idea of an inter-colonial Congress of Trade Unions began to be mooted, and in 1879, at the invitation of the Trades and Labour Council, delegates to the number of 36, representing 11,087 workers in Trade Unions, met in Sydney.⁽¹²⁾ This was the first of seven such gatherings held during the next twelve years. It is interesting to notice that the first conference of inter-colonial politicians to discuss common Australian questions was not held until four years afterwards (1883). From the programme of subjects submitted for discussion at these Congresses we can obtain a good idea of the position of the Labour Movement during the eighties. At first the orientation of the movement was simply towards an amalgamated Craft Union organisation, to further which the delegates were to press parties in the various Parliaments for reforms, as opportunity offered. Then, gradually, it was borne in upon the Unionists that no existing political party could or would successfully promote their aims in Parliament. This was brought out in a debate upon a motion submitted to the Melbourne Conference in 1884 to the effect that Labour organisations should be urged to appoint Parliamentary Committees to lobby in Labour's interest. The Congress thereupon resolved to obtain for Labour "direct representation in Parliament." Concomitant with this was a resolution urging payment of members of Parliament. Herein lay the seed which was to flower seven years later in the triumph of the Labour Party at the New South Wales elections. But the great majority of subjects discussed in the earlier Congresses are subjects relating to the consolidation and defence of positions already half won in the industrial world, such as Eight Hours, Legalisation of Unions, Factory Acts, Boiler Inspection, and Mining Regulations. Only gradually did it become clear to the Unionists that political strategy demanded,

for the realisation of even these ideals, the creation of an independent Labour unit in Parliament.⁽¹³⁾

But so far there was nothing discussed which would be to-day considered Socialistic. The general questions of Co-operation and Education were discussed, but very much in an academic way.⁽¹⁴⁾ It was not, however, long before the Congress began to widen its scope. In 1886, at Adelaide, the question of the taxation of Land Values made its appearance. The more reflective of the workers in Australia, like their confreres in other countries, were diligently reading Henry George and Bellamy during the decade 1880-1890. And at Brisbane, in 1888, a certain amount of socialistic theorising appears in the proceedings of the Fifth Congress. Not only land nationalisation, but the nationalisation of all the means of production, was openly discussed. It is significant that this socialistic note should have been struck at a Congress in Brisbane, for Brisbane had been the home and the campaigning place since 1883 of that remarkable character, William Lane. Lane was not the first socialist in Australia, but he was the first one of considerable importance. Well-read, especially in Bellamy and Marx, he had made it his mission to convert Trade Unionism, first in Queensland and then in Australia at large. He had at his command a burning enthusiasm for social reform, a very ready pen, and some literary sense. He saw contemporary Australian Trade Unionism as a conservative movement, steeped in the English tradition, organised on the English model, practical, sane, and not at all revolutionary, holding the strike as the last weapon of its armoury, and prone to give first consideration to the demands of the skilled artisans—the so-called aristocracy of Labour. In place of this he envisaged an organisation which would unite skilled and unskilled workers into a militant body, ranged as the van of Labour's battalions against the forces of Capitalism in what he preached as the inevitable class war. The workers in Australia have since grown familiar

with the essentials of this presentation of the social organism as an incessant battle-ground, but in the eighties Marx's clarion "Workers of the world unite," rang more freshly, if not more fiercely, than it does to-day. Moreover, Lane did not make the error into which many apostles of the class war in these latter days have fallen. His strategy had uses for political, as well as for industrial action. He very soon advanced from the preaching of a sentimental and rather impractical communism to the concrete proposal of capturing the colonial Parliaments. And, once captured, his panacea for all social ill was to be State Socialism. This, with its somewhat illogical prelude of the class-war, he preached in season and out in the columns of the Labour paper—"The Worker"—which he founded in Brisbane in 1890.⁽¹⁵⁾ Limitations of space forbid any full account of the subsequent career of this remarkable man. After the political Labour movement had succeeded in returning Labour members to Parliament, Lane seems to have become convinced that his ideal "Socialism in our time"⁽¹⁶⁾ would never be realised by such means. A desire for something more direct seized him, and he conceived a plan by which the eyes of the world were to be opened to the merits and justice of Socialism and to the stupidities and wastes of Capitalism. Having unsuccessfully sought land in Australia for his experiment of a Socialistic colony, he obtained it in Paraguay and drew up a Constitution of ten articles to attract colonists.⁽¹⁷⁾ Some hundreds of hardy settlers sailed away with him in July, 1893, for this Paraguayan Utopia. But the experiment failed. Lack of prevision on the part of the founder, want of self-discipline on the part of many of the settlers, economic ignorance, and suspicion of the autocracy which circumstances and his own character led Lane to assume, were the rocks on which this ideal ship of State foundered. Many of the settlers were repatriated by the Queensland Government; and Lane, after a visit to London, settled

down as a journalist in New Zealand, in which country he died in 1917.⁽¹⁸⁾

Another question which the Labour Congresses of the eighties discussed was the inevitable one of closer federation and organisation. In 1884 the amalgamation of Craft Unions into larger Industrial Unions, who should elect a Federal Council, was recommended. Already the various colonies had adopted schemes by which the Unions had been moulded together into a representative Council of delegates. But in these Trade Councils the old Craft ideals were uppermost, and so far the unskilled worker had little representation or organisation. In 1888, a proposal for a unified Labour organisation on the lines of the American Knights of Labour plan was canvassed, but the general opinion of the delegates was more in favour of federation than of unification. The local Trades and Labour Council in Queensland was deputed to draft a federal scheme after the '88 Congress. This scheme was submitted to the Sixth Congress at Hobart in 1889, but was shelved, and a federated system was not finally achieved until after the inauguration of the Commonwealth. The Queensland Unionists, however, under the influence of Lane and his paper, determined to proceed with their plan as far as their own State was concerned, and in the same year (1889) the Australian Labour Federation was founded in Brisbane. "It has become the duty of Queensland to urge the older sections of Australia to take up the good work and carry it on till, from Torres Straits to the Great Bight, from Maoriland to Perth, a quarter of a million Unionists move as one man for the common Labour cause." So wrote Lane in "*The Worker*" (August, 1890), and it is not surprising that the platform adopted by the Australian Labour Federation shows a distinct advance towards State Socialism. It demands the nationalisation of all sources of wealth and means of production, the apportionment by the State of produced wealth among all citizens, State pensions for children,

invalids and aged persons. The last plank is worth full quotation:—"The reorganisation of society upon the above lines to be commenced at once and pursued uninterruptedly until social justice is fully secured to each and every citizen."⁽¹⁹⁾ It was felt by the framers of this platform that the opposition to any movement on the part of Labour to secure fuller political representation and recognition would be as strong against a moderate palliative programme of legislation as against a "revolutionary" policy. But, however Lane might abhor palliatives and desire Socialism in his own time, there were votes to be considered before any political triumph could be won. And the A.L.F. of Queensland found, as many Labour bodies have found since, that the Australian worker is no doctrinaire. Defiant platforms to be realised at some future date, by means unspecified but often understood to be revolutionary, have not a very great attraction for the average Australian worker, nor for that floating vote in Australia, which, while ready enough to help the under-dog, and liberal enough to think Labour ought to be given the best possible rewards, is not prepared to commit itself blindfold to schemes whose realisation in politics depends, or seems to them to depend, on rebellion. It is, therefore, very significant, and very typical of the course of the Labour movement in Australia, to find the 1890 platform very soon superseded in Queensland by a document called *The People's Parliamentary Platform*. This is not a programme of revolution, but of reform. Its seven planks put forward a series of palliative reforms, by the operation of which the voice of Labour can be more effectively heard in the legislative arena, such as equal electoral districts, abolition of plural voting, adult suffrage, abolition of property qualifications, holidays for parliamentary elections and annual parliaments. The inspiration of this document is not Bellamy and Marx, but rather it is a reversion to the older practical programme of English Chartism. And as such, it is a more exact

reflection of the ideals of the Labour men of Australia in 1890 than was the original programme of the A.L.F. Allied in spirit to the People's Parliamentary Platform were the Melbourne resolution of 1884 (see page 158) and the Hobart resolution of 1889, which latter not only re-affirmed the desirability of creating a Parliamentary Labour Party, but also added the demand that "no candidate who does not adhere to the Labour programme should receive the support of the Labour Party." This addition thus contained the embryo Labour pledge which after became a normal feature of Labour politics in Australia.⁽²⁰⁾

Concurrent with these political adumbrations in the Congresses was the election to Parliament in several States of candidates supported by the Trade Unionists ^(20a); so that by 1890 Labour in Australia was familiar with the idea of having its own members of Parliament, not only through the discussions and resolutions of the Congresses, but also through the actual election of working-men as working-men's candidates in the several States.

To the two great groups of Trade Unionists in the capitals and Trade Unionists in the mines had been added by this time a third group—the Trade Unionists of the back-blocks. Attempts to reduce wages and dictate conditions by the pastoralists, notably in Victoria and Queensland, had resulted in the formation of Shearers' and Labourers' Unions during the decade 1880-1890. In 1893 practically the whole of these Unions of country workers in all the colonies, except Queensland, were gathered together into one big organisation—the Australian Workers' Union, now familiar to most Australians as the A.W.U. Ten years later the Queensland Rural Workers joined the organisation, which in 1909 attained a membership of 44,000. As a result of this rapid amalgamation, the tradition among pastoral and agricultural Trade Unionists has developed on the lines of the solidarity of the industry rather than of the craft. And the third of the three battalions

of the industrial army of Labour in Australia has maintained an outlook less parochial and more mindful of the interest of the unskilled than its craftsmen pioneers.

By the end of the eighties, therefore, the Labour movement in Australia had already some history behind it—mostly industrial, it is true, and largely influenced by the traditions of English Unionism. But it had also evolved the idea of political action with a party of its own, and in this respect it had progressed further than its prototype in Great Britain. The Hobart resolution of 1889 formulating an electoral platform and defining the status of the party preceded by eleven years the resolution carried in February, 1900, at the conference between the Trade Union delegates of Britain, the Independent Labour Party, the Social Democratic Federation, and the Fabian Society.⁽²¹⁾ It is, however, important to remember that development up to this stage was only made possible by contemporary political conditions in Australia. The Labour Party in Australia came into being before the Labour Party in Great Britain because the machinery by which its political aspirations might be realised was in existence in Australia before it existed in England. It is, therefore, worth while to trace briefly the course of democratic development in Australia in order to understand the general setting of Australian political life at this time.

As has been already indicated, a very large proportion of the immigrants during the gold rushes were men of strong democratic leanings. Apart altogether from extremist refugees and deported revolutionaries, there were a great many men of strongly radical ideas in politics. Men like Henry Parkes, David Syme, James Service, Graham Berry, and others who played an active part in shaping the destinies of their new country, were either Chartists up to the break-up of that movement in '48 or were sympathetic with the Chartist ideal. It is not surprising, therefore, that most of

the democratic reforms of the Chartist programme were realised in Australia years before they were secured in the Mother country. Between 1855 and 1859 Victoria, New South Wales, South Australia, Tasmania and Queensland secured from the Crown the privilege of responsible government. This was not acquired by Western Australia till 1890. The Constitutions conferred on the colonies were flexible instruments, and permitted the colonists to change and alter their provisions as experience should dictate. The Australian Legislatures in this respect were fully sovereign bodies. Very soon adaptations and modifications in the several Constitutions began to be made in deference to the strong democratic feeling which manifested itself.⁽²²⁾ From the granting of self-government in 1851 up to 1890, the major portion of the Chartist programme had been embodied in the Constitutions of the Australian colonies. The effect of this upon the political Labour movement can hardly be over-estimated. It did not only mean that the machinery by which the voice of Labour could be heard in politics had been provided, and that it only remained for the representatives of Labour to agree, through organisation, to speak with one voice in order to speak authoritatively in the political sphere; but it also meant that Australian Labour was a part of a new community whose members had agreed to establish that machinery, though they were not blind to the possibilities of its use. This shows that outside the ranks of organised labour in Australia, there was even then a solid block of public opinion which was strongly democratic in tone and likely to be in ready sympathy with any attempts of the wage-earners to secure for themselves betterment of conditions of working and living. To the existence of this block of opinion, Labour in Australia owes far more than its leaders generally acknowledge. The political Labour movement is often pictured as having sprung, Minervan, and fully armed, from the brain of Trade Unionism in the early nineties.

This conception is largely due to the dramatic and sensational debut of the New South Wales Labour Party in the Parliament of 1891. It is, nevertheless, an incorrect conception. For forty years conditions were preparing in Australia which made possible the advent of Labour on the political stage. And that this was recognised by the Unionists may be seen from the frequency with which the political questions of payment of members and the abolition of plural voting came up for discussion in their Congresses. Consider, for instance, the impossibility of Labour occupying even the cross benches without measures adopting adult suffrage and the payment of members having been placed on the Statute Book! And though the agitation of the disfranchised may have influenced the passage of this legislation, yet such agitation would have been barren of result had it not found a very real sympathy among the enfranchised electors, whose sense of justice and social well-being compelled them to share their privileges with the artisans and the small wage-earners of the day. The present Labour movement, more completely organised as it is and with nearly 30 years of political experience, can only neglect the existence of this sentiment of social well-being outside its ranks at its peril. Nevertheless, the year 1890 does mark a definite stage in the evolution of the movement. Trains, long prepared both consciously and unconsciously within and without the Labour camp, were touched off with startling results by the dramatic events of that year and those immediately following it.

All through the decade 1880-1890 there had been a number of industrial conflicts, often culminating in strikes, in all the Australian colonies. The world movement of falling prices, that began in the seventies, had not re-acted upon wages to the extent that might have been expected, partly because of the organised resistance to wage reduction by the Unionist bodies, but mainly because of the expanding trade and increasing industrial activity of Australia. But from about 1885, wages

began to decline, owing to the still persistent downward tendency of prices and the general feeling of uneasiness which the large loan expenditure of the various Governments, added to an exceedingly reckless land boom, was causing in commercial circles. This financial nervousness was not allayed by the determined resistance of organised Labour to any reduction of wages. Many of the Unionists did not see that falling prices were affecting wages, and that even the sharp drop of 20 per cent. in 1889 did not reduce real wages in nearly that proportion as far as buying power was concerned. Thus was supplied a basic economic ground of friction, which soon developed into accusations of a capitalistic plot by one party, and complaints about the dominance of paid agitators by the other. The year 1889 was full of menace. There were strikes in Broken Hill and on the coal-fields of New South Wales, in the building trades in Sydney, among the Ballarat miners and the Queensland waterside workers, while the shearers of New South Wales and Queensland were on terms of friction with their employers all through that year. In 1890 a sharp struggle took place in Queensland over the question of preference to Unionists, the Australian Labour Federation persuading the Brisbane waterside workers not to load for transport wool shorn by non-unionists. Early in the same year, much enthusiasm was generated for the cause of militancy by the great London dock strike. Over £30,000 was sent from Australia to aid the fighting funds of the dockers. The successful issue of this strike was regarded by the more militant of the Unionists in Australia as an omen and an inspiration. "If our subscription turned the scale in the dockers' favour, surely we should be able to win also with our superior organisation and accumulated funds."⁽²³⁾ Everything was thus in train for an outbreak, and the final impetus came from a Trade Union dispute. A Union of marine officers had affiliated with the Trades Hall Council in Melbourne, attracted to

Unionist tactics by the success which had attended them. They applied for an increase in pay, but the shipowners refused to meet them so long as they retained their connection with the Trades Hall Council. In Sydney, where a similar demand was made by an unaffiliated organisation of ships' officers, a conference was also refused, and the original dispute soon flared up, until it became a conflict between employers and employees all through the eastern States. In fact, it may be said that the general conditions of economic and political life in Australia had brought about a state of mutual suspicion and distrust that made a conflict inevitable. When that conflict occurred, there was an unexpected display of solidarity, both on the side of the employers and the employees. On the whole, public sympathy, under the threatened deprivation of its accustomed conveniences, veered, as it nearly always does in strikes of this magnitude which affect transport and lighting facilities, to the side of the employers. But a considerable section of the public were in sympathy with the strikers. The Chief Justice of Victoria sent £50 to the strike fund and thereafter contributed £10 a week to the strikers' cause. Another prominent Victorian promised £50 a week. When the trouble spread to New Zealand, the Chief Justice and ex-Premier supported the strikers. The maritime strike lasted three months; in the end Government interference and public sympathy on the side of the employers, together with exhaustion of the funds of the strikers, brought about a defeat for the workers. The industrial weapon had failed to achieve a victory, and Unionism seemed prostrate. Several of the spokesmen of the employers openly proclaimed that "Trades Hall domination had been broken." This anticipation was, however, premature. The Labour defeat of 1890 had focussed the attention of the Labour men upon the enormous advantage held by any party in an industrial dispute which could command the aid of the *de facto* Government.

The rather theatrical employment of military force during the strikes of '90 and '91 (in Queensland) still further emphasised this lesson. Moreover, during the course of the dispute the advice had been freely tendered to them from press, pulpit and platform that they should endeavour to right their grievances by constitutional methods, and that they should begin to use political weapons, since the industrial ones had been so expensive and unsuccessful. As has been already indicated, Labour was not unprepared for this advice, but the celerity with which it was adopted, and the results which it achieved, surprised very many people. It must suffice here to indicate very briefly the steps by which the political Labour movement became a power in Australian life in the nineties.

New South Wales was the first colony in which the Unionists set out to find redress for their grievances through the ballot box. Provision for the sustenance of Labour politicians had been made by the Payment of Members Act, which came into force in 1890. A Labour Electoral League was formed in 1891 with a declared policy of sixteen planks. An examination of these reveals the essentially empirical character of the new body. The greater part of them refer to Trades Union questions and disputes; there is a comprehensive outline of Electoral Reform extending the franchise on residential qualifications, and abolishing plural voting; there are some general utterances about Education, Local Government, and Federation and one or two aspirations after Nationalisation; an anti-Chinese measure; and plank 13 reflects the influence of Henry George in a demand for taxation of land values produced by settlement. There is very little straight-out Socialism in this Charter of 1891. It has much more affinity with the People's Parliamentary Platform than with the 1890 platform of Australian Labour Federation (see page 162). It is, moreover, significant to find that the third advertised object of the new League was "to bring all electors who are in favour of democratic and

progressive legislation under one common banner." Here is an appeal to the liberal democrats of Australia, irrespective of their organised connection with Labour. The machinery of the League was to be formed by the establishment of local branches in electorates, who should select their own parliamentary candidates, subject to the endorsement of a central council, and the extraction of a pledge from each candidate to resign when called upon by two-thirds of his supporters. The League had not been in existence more than three months, when a sudden dissolution brought about a general election. Forty-five candidates were secured, who pledged themselves to support the new party on the cross benches. Many people laughed at the idea of pledged Labour members, but the earnestness of the Leaguers brought about a result which confounded the scoffers. No less than 36 out of the 45 candidates were returned, one of whom resigned from the new party at its first meeting, so that it entered the new House 35 strong out of a total of 144 members. At that time, the older political parties were organised on purely fiscal lines; outside of this, there was little, if any, difference in policy between them. The Free Trade Ministry, under Parkes, faced a protectionist opposition of nearly equal strength, and so the Labour representatives dominated the situation. The new party decided to support the existing Ministry, which had promised them seven out of their sixteen planks. But the lesson of solidarity had not been learnt. An attempt to pledge the party to vote as the majority, in a Caucus, should determine, found several dissentients who declared themselves already pledged to vote Protection, whatever the Caucus might direct. This was ominous for a party which intended to dominate the situation from the cross benches. But it was prophetic, for before the year was out the fiscal question had split the party, and half its members were supporting a successful vote of censure against the Free Traders. However, before a vote was taken, an opportunity

occurred for one of them—Mr. George Black—to make a statement of the political faith of the new party. It was a frank utterance, and it left no doubt in the minds of parliamentarians as to what were to be the objectives and tactics of the Labour members. "We have not come into Parliament," he said, "for the £300 a year, but because of the £300. We are pledged not to regard in any way the fiscal question, because those who returned us think there is no health in a merely fiscal system for those who labour either with hand or with head. The Labour Party has come into politics neither to support Free Trade nor Protection, but that Ministry that will give us what we want. . . . We expect something more than promises. The motto of the Labour Party is Support in return for Concessions. If you give us our concessions, then our votes shall circulate on the Treasury benches; if you do not, then we shall withdraw our support. But we have not come into this House to make and unmake Ministries. We have come here to make and unmake social conditions." Then, becoming prophetic, the spokesman for the new group began to envisage the future of the Parliamentary Labour Party. "Perhaps you will find some day, after we have passed our Electoral Reform Law, that we shall return after a general election in such a position that we shall forsake the cross benches for the Opposition side of the House: we will then have arrayed against us a Coalition Ministry of Free Traders and Protectionists. Then the issue will be simplified and we shall have an easier task." Warned as they were by the results of the recent election, hardly any of the members of the '91 Parliament in New South Wales took Mr. Black's prophecy very seriously. But it was a literal and exact forecast. Thirteen years later, Labour took possession of the Opposition benches in New South Wales, and, in the same year (1904) a Labour Ministry was in power in the Commonwealth.

No detailed account can be given here of the legislation which Labour gradually succeeded in

placing on the Statute Book. The new party, divided as were its councils, stood for a policy far more coherent, and, therefore, much more easily advocated, than either of the old parties had ever done, and it quickly made its presence felt.⁽²⁴⁾ The main legislative reform secured from the 1891-4 Parliament by the Labour Party was a new Electoral Act which abolished plural voting, shortened the period of residential qualification, established single electorates and otherwise favoured the recording of the workers' votes to which the new party looked. Labour's experience in its first Parliament emphasised two things: The first was that it was impossible to obtain even a minimum of reform through the Legislature until the nominee Upper House had been, to some extent, democratised. The second matter was the importance of solidarity. And the first step in the direction of solidarity would have to be the sinking, by some means, of the fiscal question. Here was a party whose members were elected on a formal platform, which they were pledged to support, but which did not bind them either way on the fiscal issue, which was the dividing line between the older parties. Inasmuch as this left them free to support whichever of the old parties would grant them concessions, it was good strategy. Inasmuch as it led, in the excitement of election time, to the giving of various promises to various fiscal groups in electorates, it meant division on the vital issue of contemporary politics within the ranks of the caucus and effectively prevented it from being the legislative make-weight, which it wanted to be. Either the fiscal issue must be included one way or another in the platform or some form of tactics must be devised by which the fiscal issue, despite of any election promises, could be really neglected in the party councils. The majority of Labour opinion was against making the fiscal question a formal party platform issue, partly from conviction that neither Free Trade nor Protection would suffice to secure the reforms that Labour wanted,

and partly on the practical ground that it would be disastrous to the nascent political organisation to adopt either policy. The tradition of past conflicts had left too strong a mark even upon their Labour participants to admit a complete volte face about their fiscal faith, although it was possible that they might be persuaded to agree to sink this question. So it was decided to achieve solidarity by fiat, rather than by economic doctrine.

This decision necessitated some additional political machinery, and from it resulted the famous pledge tactic, which has become a normal feature of Australian political life and, to a certain extent, of all democracies. It is therefore worth while to detail the stages of its evolution.

During the sittings of the '91 Parliament, a Conference of the Labour Electoral Leagues had, in November, '93, thoroughly canvassed the question of the achievement of political solidarity and had passed a resolution to the effect that future Labour candidates must pledge themselves to vote as the majority of the party might in caucus decide, on questions affecting the Labour platform, the fate of a Ministry, the establishment of a monopoly, or the concession of "future privileges to the already privileged classes." To this it was objected by many of the Labour members and their following that such a pledge was unduly hampering and not suited to the tactics which the cross bench position of the party demanded. In spite of this, the pledge of 1893 was endorsed in March, 1894, by another Conference, and the General Election, later in that year, brought into the field two Labour parties—the Solidarities, with a declared platform of six planks, and whose candidates were required to sign a pledge to vote as Caucus might dictate; and the Independent or Parliamentary Labourites, pledged to the local Labour Leagues who selected them, to give a general adherence to most of the platform announced by the Solidarities, but not pledged to vote as Caucus might determine on any question. Out of a Parliament of 125, 58 Free Traders, 40

Protectionists, 15 Solidarity Labourites, and 12 Independent Labourites were returned. The Free Traders, bidding for the support of both Labour sections, adopted some of the official Labour planks and introduced legislation in accordance with them; but again the nominee Upper House rejected this new legislation, and the Free Trade leader, G. H. Reid, again appealed to the electorate. By this time the Solidarities had become convinced that their pledge was too rigid a weapon for the changing battle-ground of the House. Moreover, leaders of the Trade Union movement, outside Parliament, were working to effect a reconciliation between the two sections of Labour. And in 1895 a new, and, it was suggested, more flexible, form of pledge was accepted. This obliged the candidate not to oppose any duly selected Labour candidate, to forward the Labour platform to his utmost, and "to vote on all questions, and especially on questions affecting the fate of a Government, as a majority of the Labour Party may decide at a duly constituted Caucus meeting." This pledge differed from the earlier one only in that it did not detail the questions upon which individual judgment was to be subordinated to that of Caucus, but since it expressly states that members are to vote on all questions as a majority of the party may decide, the freedom of action it gave beyond that of the earlier pledge is more illusory than real. Its effect was to bring three of the twelve Independents over to the Solidarity party, while the remaining nine passed over into the other political folds and no longer fought under Labour's banner. It seems to have been due to the growing conviction that only solidarity would make the party effective, rather than to any increased elasticity of the pledge, that Labour's divided forces came together in 1895 to remain united for 21 years.

The principle which emerged from this controversy, and which had been adopted by the political Labour parties of Australia ever since then, is that a candidate's allegiance is primarily

to his party rather than to his electorate. This does not raise again Burke's famous dilemma that a parliamentary representative must be either a senator exercising his judgment or a delegate obeying instructions.⁽²⁵⁾ For the fact that a representative is bound by pledges to an electorate makes him as much a delegate as one bound to the decisions of a party. Nor did this principle in merely extending the area of party authority add anything new to existing conceptions of political machinery. The pivot of the whole situation in which a pledged Labour member found himself was the question whether the party caucus whose flat he accepted in casting his vote was itself independent. The machinery already erected by the party provided for an annual Conference of delegates from the separate electorates. It was this Conference that framed the platform and that issued the pledge. And it soon became clear that the Conference was determined to regard the caucus of Labour members as being responsible to itself for carrying out the party platform. So long as the Labour Party was only on the cross benches, it had to take what it could squeeze out of the Government of the day by voting tactics, and the Political Labour Conference—the P.L.C., as it has come to be known in Australia—rejoiced in the gains. Nor could Conference call the parliamentary party to account very seriously when it came to occupy the position of the official opposition. The denunciatory attitude customary on Opposition benches gave ample scope for the proclamation of socialist aspirations and platform tirades. But when Labour came to form a Government, the case was different. There was the platform and there was the Labour Executive. Why was not this platform passed into legislation? This was the demand of the more ardent critics at Conference after Conference when the party had risen to power. And such criticism was all the more impatient, because its supporters seldom knew Parliament, but had much experience in leagues and conferences, where resolutions

ended in resolutions and had not to be turned into laws. Ministers, conservatised by the legislative atmosphere, had to meet more and more of this kind of criticism from the militant Unionists, filled with an exaggerated faith in the possibilities of political power, in every Conference after the Labour Governments took office. The criticism sharpened after the outbreak of a war, with its disturbing influences, and in 1915 the Labour Premier of New South Wales was barely able to pacify the critics at the Conference. The next year saw a still more acute attack by a section labelling themselves the "Industrialists." These claimed to stand for the Trade Unionists and Industrial Workers against the political Labourites, who had come into the movement through the electoral leagues, and who were, they urged, dominating the party. This Conference actually forced a resignation from the Premier and his Government, although this was withdrawn and a compromise effected. The constitutional interest of this crisis was that during the debates both the Cabinet and most of the Caucus members spoke as if they were responsible to the Conference and as if it were the body to whom their resignations should be tendered. So far had the pledge tactic evolved by 1916 that the Labour machine was really threatening the existence of Representative Government. In no other State has such an acute crisis as this been reached, but signs of the tendency have not been lacking. For the time being any further development has been checked by the split caused by the Conscription issues. This has had the effect of removing from the movement those leaders of whose loyalty to the Labour platform the so-called industrial section had most misgivings, and also of removing Labour in the Commonwealth and in most of the States from the Ministerial benches. Existing conditions, therefore, do not conduce to the continuance of this agitation for control of Parliament by a Conference, in which the views of a large majority of the electorate are entirely

neglected. But in some form or other this controversy is bound to arise when Labour again captures the governments in the State or in the Commonwealth.

The details of this evolution have taken us ahead of our story, but it is important to understand the Labour political machinery since it reveals much of the party's strength and limitations. It is not proposed to follow the history of the political movement in Australia in detail. The stories of the foundation of the parties in the various colonies have few distinctive features, although they contain much exciting adventure and many surprises. In Queensland, where the Labour movement was more thoroughly indoctrinated with Socialism, the political Labour party has been more intransigent than elsewhere, and this added to the fact of the opposition of the big graziers—usually a conservative class—accounts for their later advent to power. In Western Australia, the party rose to power very rapidly. It entered Parliament in 1901 and captured the Treasury benches in 1904, fourteen years after the establishment of self-government. In South Australia, Labour, as a whole, has shown less reluctance in the past to work in combination with other political groups in Parliament, both in and out of office, and a Labour Ministry was in power in 1905 in coalition with a Liberal group. Victoria, where most of the democratic reforms in Australian political life were first adopted, is the only State which has never yet had a Labour Government. There is a strong and determined political Labour party there, but the fear of extremists and socialists has prevented their attaining office. This is curious, since Melbourne has already, as the temporary seat of Federal Government, seen four Federal Labour Ministries. Tasmania returned its first Labour Ministry unexpectedly in 1909, under a system of preferential voting.⁽³⁶⁾

On the whole, the political Labour movement seems to be stronger in the mining and grazing

States, like New South Wales, Queensland, and Western Australia, than in the agricultural States, like Victoria and Tasmania. But this is a very general statement, and requires qualification in detail.

Space is not available to follow the legislative achievements of the movement all over Australia. To many of these, reference is made in other sections of this book. Apart from the land, defence, wages and arbitration policies, much of this legislation has been of a detailed Trade Union character. Educational problems have found little solution at Labour's hands, and the main lines of the national educational policy were broadly fixed before Labour's advent to politics. The present tendency of the movement is to fix its gaze rather too much on the trade and technical aspects of education, to the neglect of the liberal and cultural side of it. Unless more enthusiasm for the humanities as such is generated in the movement, this tendency is likely to have a disastrous effect on the future both of the Labour movement and of Australia.

The political fortunes of Labour in the Federal sphere have attracted more widespread attention than their State adventures ⁽²⁷⁾, and to these we must now turn.

The general question of Federation had never been made a burning one by the Labour parties, and it was generally assumed that these parties would not acquire such a controlling interest in the national parliament as they seemed to have secured in some of the States. This view was strengthened by the fact that the Convention of 1897 elected to draft the Federal Constitution on the basis of ten members from each State ⁽²⁸⁾ contained not one representative of Labour, although a Labour "ticket" of ten had been put forward in most cases. But Labour had prepared for the first elections in 1901, and had adopted at an Interstate Congress in 1900 a short platform of general legislation and constitutional amendment together with a form of pledge slightly more elastic than the existing State

pledges, but definitely binding candidates to vote on questions affecting the platform as the majority of Caucus should decide. This platform, however, contained no allusion to the fiscal question, although it was the one issue of the election. The New South Wales lesson of 1891 had not been forgotten. The elections resulted in 16 Labour men being returned among the 75 constituting the House of Representatives, while 8 were returned to the Senate, which consisted of 36 members. The Government was Protectionist, and the Opposition, mostly consisting of New South Wales representatives, was Free Trade, and their respective strengths were such that the Labour block really controlled the situation. Naturally the old policy, of support in return for concessions, was adopted. The majority of the Labour men were Protectionist, and the party supported the Government in passing a moderate tariff, which has practically settled the fiscal question for Australia ever since. In return for this, the Labour party secured an Immigration Restriction Act and a Bill to remove coloured labour from the Queensland sugar plantations. These two measures were the legislative basis of the White Australia policy, with which the Labour movement in Australia had been and is so strongly identified. Nevertheless, it was not all mere Trade Union selfishness and objection to cheap labour which lay behind the policy. Many men outside the Labour ranks supported the measures on the ground of general racial well-being, and through fear of the miseries which a divided population had brought into being in America and South Africa. Moreover, general Australian sentiment was not opposed to the realisation of the workers' desire for protection against cheap labour. The exploitation of this latter feeling caused the insertion of a clause which secured the exclusion of any immigrant, white or coloured, who was a manual labourer under contract—a ludicrous attempt to prevent the immigration of skilled labour of any kind and reminiscent of the worst kind of Craft

Union exclusiveness. This resulted in a farcical attempt to exclude six English hatters, who had arrived under contract, from landing in Sydney in 1902. The negotiations about these "mad hatters" (as the Australian people hastened to describe them) revealed the absurdity of this clause, and it was amended in 1905. The incident is mentioned to show how much a policy of support for concessions could secure for a strongly organised party which knew what it wanted. It also calls attention to a radical defect in the philosophy of the Labour movement in Australia. Upon the question of immigration, Labour speaks with an uncertain voice. Faced with the necessity of filling up the empty spaces, Labour politicians have enunciated immigration schemes and established bureaux and advertising agencies. Since 1910 there has been a considerable advance along these lines, and in 1912 £50,000 was voted by a Federal Labour Government for immigration propaganda. But from the rank and file of the movement comes a very grudging acquiescence to such arrangements, the party press is critical, and there is no mention of assistance to immigrants on the published party platforms. Yet it is dangerously doubtful whether Australia can be kept white by the natural growth of her present population. This feeling against immigration is in great part due to the fear of the average worker that imported labour will bring down his wages (a sort of monopoly argument), or that overseas labour will be drawn upon during industrial disputes. As a matter of fact, the wage laws of Australia are designed, among other things, to meet the former contingency, and the geographical situation of Australia really abolishes the latter fear. An ingenious defence for this lukewarm attitude to immigration has been put forward by a foreign socialist, who argues that the Australian Labour movement can only keep the instalment of State Socialism which it has won, either by a world movement in the socialistic direction, or by the achievement of comparative isolation. This latter

it is striving to secure by restricting immigration.⁽²⁹⁾ This defence is not, however, adopted in Australia to any extent. The general excuse offered for Labour's lack of interest in immigration is that their support of the policy can only be won by drastic emendations in the land laws, in order to break up the big estates and to provide land for intending immigrants. There has been, however, quite recently a tendency on the part of the left wing of Labour to regard immigration as less unwelcome. The position is based on a frank adoption of the theory of the class war, from which it is argued that the more "wage-slaves" that arrive the stronger will be Labour's army for the ultimate struggle with Capital.

In the second Federal Parliament, Labour was 39 strong, and in 1904 it passed straight over from a third party position to the Ministerial benches, which it held for not quite four months. A kaleidoscopic series of changes then took place, as the result of the political groupings of the years 1904-1910. These changes cannot be followed here. They simply mark the evolution of the present Liberal opposition to Labour in the Commonwealth. Of the three parties—Old Protectionists, Old Free Traders, and Labour—none were strong enough to defy the other pair. It remained to be seen which two would coalesce. Labour showed that, while it might support a non-Labour Ministry, it would not lose its identity in any coalition. Inevitably, the Tariff question being disposed of, the old animosities, very often based on old inter-colonial traditions, disappeared between the two parties opposing Labour, and in 1909 a coalition or Fusion Government took office, with a policy very nearly summed up in the phrase, "opposition to Labour." During this period of scuffling, Labour had succeeded in getting Parliament to adopt its policy of the New Protection, a concession in return for support rendered. By this policy, for the first time, an attempt was made to

extend the benefits of a policy of protection directly to the workers in the protected industries.⁽³⁰⁾

The year 1910 saw victories at the polls for Labour in the Commonwealth, in New South Wales, and in South Australia. Tasmania had had a Labour Ministry in 1909. Western Australia returned one in 1911; and the official opposition in Victoria and Queensland now consisted of the Labour parties of those States. So that by 1910 the lines of political cleavage were definitely laid all over Australia as Labour and anti-Labour. In fulfilment of Black's prophecy in 1891, Labour had vacated the cross benches for those of the opposition, had fused the older parties into one solid block of opponents, and had, in all the States but Victoria, crossed over to the Ministerial benches. Only for one year, up to the outbreak of the war, did Labour lose its hold on the Federal Government, and the first post-war elections saw it triumphant again. Since then the question of Conscription has split the movement in twain, and at the present time (1918) only one Labour Ministry—that of Queensland—holds office in Australia.

The policy of the Federal Labour Party since 1908 will be dealt with elsewhere in most of its important aspects. A word may now be said as to the progress of the industrial side of the movement during the period of its political triumphs. This story is one of gradual consolidation. For a time this was hindered by the big bank failures and commercial crisis in the Eastern States in 1893, and in five years—1890-5—only ten new Unions were registered. But the country recovered very quickly, and the Unionist movement recovered with it. In the following five years nearly sixty new Unions were formed. The political success of Labour also re-acted favourably upon the growth of Unionism in the direction of increased membership. At the same time, there is no doubt that this turned the thoughts of the Unionists away from purely industrial questions to purely political questions. As the political movement grew, it dominated the

Unions more and more. The ideal of the party lay in the direction of State Socialism, and the artisans became Collectivists. All workshop problems, all questions of wages, and hours and unemployment and management came to be thought of as matters to be decided and settled by the State in the Collectivist fashion. To encompass this end, industrial organisation was looked upon in many cases only as a means of providing political strength. Consequently closer organisation and control, together with increased numbers, being considered essential, an impetus was given from the political side to the formation of industrial Unions to include all the workers in an industry. This tendency was helped by the successful example of the Australian Workers' Union, which had been forced to adopt an industrial basis from the start, on account of the conditions in which it worked. And the erection of Arbitration Courts and Wages Boards, by indicating the greater suitability of Industrial Unionism in providing a principle upon which the jurisdiction of Courts or Boards might be exercised, still further helped this tendency.⁽³¹⁾ This movement, in the direction of including the unskilled, naturally aroused the hostility of the older Unions, and a sharp controversy has arisen between the Craft and the Industrial Unionists. Both sides find their protagonists. The Craftsman appeals to his benefit funds and insurance schemes. The Industrialist requests that these should be left to the Friendly Societies to provide, and argues for the strength which numbers and a greater unity of control will bring both on the industrial and the political fields. On the whole, the Industrial Union principle would appear to be gaining ground, and it is indirectly helped by the arguments of Labour's extreme left, whose position must now be briefly analysed.

The left wing of the Labour movement, comprising the doctrinaires and extreme socialists, is hardly recognised by the majority of the party. Its influence has definitely been repudiated by the

political leaders from time to time; but it exists, and, holding a certain amount of attraction for many, it wields a certain power in the movement. This left wing is not an organised body at all. It consists of a number of separate organisations many of them bitterly opposed to each other's teachings. Perhaps the most influential of these is the Victorian Socialist Party, with a considerable membership, which publishes a weekly paper called *The Socialist*. This party was founded by Tom Mann about 1905 during his visit to Australia. It is less doctrinaire and more opportunist than the other socialist parties, supporting—although strongly criticising—the Labour Party in State and Federal Parliaments. A similar society has recently been founded in Sydney, with the title of "The Social Democratic League." Somewhat similar organisations exist in other cities. The Socialist Labour Party, a branch of the American organisation of the same name, has its headquarters in Sydney. It claims to be the oldest of the existing organisations, having developed from the Australian Socialist League which was established in 1887. It publishes a monthly paper—*The People*—and it regularly nominates candidates in New South Wales on the party revolutionary platform for the Senate elections, thus incurring the wrath of the Political Labour Section for vote splitting, for, pathetically enough, many of the members of these extremist bodies are, by necessity of their livelihood, Trade Unionists. These candidates have not yet been successful. Closely akin to the S.L.P. is the Australian Socialist Party, with a weekly paper and a not very robust membership. Both these parties advocate Revolutionary Socialism, but neither of them are averse to political action. It is not clear, indeed, in view of their published policies, why they do not unite. The most frankly revolutionary party, and the most notorious of the extremist bodies was, until recently, the Industrial Workers of the World. This organisation followed the programme of the Chicago I.W.W., with whom it was

affiliated. It published a weekly paper called *Direct Action*, advocated syndicalism, sabotage, and the philosophy of violence generally, and attracted a good deal of attention. But the trial and conviction of twelve of its apostles in Sydney in 1916 for sedition and arson, was followed by a Federal Act of Parliament, which suppressed the organisation. It flourished in most of the capitals and in Broken Hill, which is the revolutionary centre of Australia. It professed a supreme contempt for the political Labour party and for political action of all kinds. How far the philosophy of violence has permeated the Labour movement it is difficult to estimate. The attempt at a general strike in 1917 in New South Wales is said to have been partly due to the I.W.W. propaganda; but the influence and teachings of this organisation have been stoutly repudiated by all the responsible Labour leaders.

The general attitude of all these left wing parties to the official Labour movement is intensely critical and at times hostile. Most of their members draw their inspiration from Marxian philosophy, generally filtered through American channels. And they resemble their fellow Marxians the world over. A study of their literature (mostly press and pamphlet in form) and an acquaintance with individuals among them reveals a spirit of dogmatic orthodoxy, formerly held to be more characteristic of conservative ecclesiasticism than of revolutionary socialism. To all objections and criticisms they reply with a text from Marx. Marx is their bible, and he has suffered in becoming so. *Hiberniores ipsis hibernis*. Now this is not at all the kind of socialism that is characteristic of the Labour Party in Australia. If it can be labelled at all as Socialistic, it is with a Fabian or Reformist label. Its policy in the past has been a gradual striving after nationalisation and State Socialism, with whatever instalments and palliatives it can obtain in the process. In response to attacks such as the following: "The social status of wage-workers cannot be altered by the Labour Party getting a

majority in Parliament," (32) and "Where in the Labour Party is the militant section of the working-class?" (33) it has generally replied that it does not want to be violent until it is forced to be so, and it points to the amelioration it has achieved for the worker during its existence. "If ever the day comes," says a Queensland Labour paper, "when bullets are needed to back up ballots, we shall be there with our little gun. If, on the other hand, Capitalism will permit us to achieve the revolution bit by bit, a little to-day and some more to-morrow, and will allow us to quietly overthrow its system and dispossess it, we shall be glad to leave the gun at home and call ourselves piecemeal, if not peaceful, revolutionists." (34) And this attitude is typical of the majority of the men and women who form the Labour Movement in Australia. Whether the conditions imposed upon Labour as a result of the war will move it along more revolutionary paths it is yet too soon to judge.

Nor is Australian Labour as a whole resentful of criticism. Writers from other countries who review Australian conditions claim that the Labour movement in Australia is not Socialistic. Its treatment of the land question is, they say, based on an ideal of small capitalism. It cuts up the large estates to distribute them amongst its followers as small owners and not as tenants. The climax of this policy, it is argued, will not be socialism as the orthodox socialists understand it. This very criticism was made by an American interviewer to Mr. Fisher, the second Labour Prime Minister of Australia. He replied succinctly: "It is my kind of socialism." Similarly, when reminded that a Bill for the Encouragement of Private Manufactures was not a socialistic measure, an earlier Labour Prime Minister replied significantly: "There is such a thing as proceeding step by step."

These two remarks epitomise the kind of socialism which has hitherto found favour with the Australian Labour movement as a whole. Australian Socialism has been aptly called by a French observer *Le*

socialisme sans doctrines. There could hardly be a neater summing-up. And in this respect the Labour movement is a reflex of Australia generally. It is a country without doctrines. Perhaps this is due to our British heritage; perhaps it is our large, open country, which, tempting the footsteps of the wanderer, has engendered in the Australian political character a love of empiricism; perhaps it is due to the fact that up till now we have had time to shape our destiny in the security of British naval strength, without any anxiety as to our own safety. Probably it is the combination of all these conditions. But be that as it may, the Australian disinclination to be doctrinaire is very evident.⁽⁸⁵⁾ And it has been, not unnaturally linked with a large tolerance. To the existence of that tolerance, tutored by broad-minded men in the past, may be traced the high general conception of well-being, which has made Australia the field of so many advanced democratic experiments. It has been indicated to what extent the extraordinary advances of the Democratic and Labour Movements in Australia since 1851 were due to this conception of a high general standard of living for all. Bernstein points out, in a chapter on "The Assumptions of Socialism," that laws passed under capitalistic *regimes* have given the workers that freedom and width of outlook which have made possible modern socialistic programmes. This has been literally true, both in Australia and New Zealand. "Before 1890," says Mr. Pember Reeves, "the State was already the great landlord, the chief employer of labour, and was virtually sole owner of the land transport, as well as the telegraphs and telephones . . . the Colonies had, by a series of Acts, chiefly passed between 1873 and 1880. broken with clerical schools and developed their own systems of primary education." These departures, he points out, "were all taken by the middle classes long before Socialism and Labour parties were heard of. So that when, after 1890, middle-class spokesmen, confronted with the new forces,

would fain have harked back to the principles of individualism, they found the past policy of their class rise up in judgment against them."⁽³⁶⁾ To this, it should be added, that just as middle-class reformers made the advent of a Labour party possible in Australia, so also middle-class tolerants and reformers have helped it to advance to power. Despite the preachings of the more exacerbated sections of the Labour world, that party can only neglect this middle-class floating, tolerant vote at its peril. This much has been revealed since 1914. The Labour movement has been, up till now, an empiricist movement: in that it is not unrepresentative of the Australian outlook. We are a pragmatic people. We have, as one of our poets puts it—

" Followed where our fortunes led,
With fortune always on ahead,
And always further out."

We tend to try and make the best of the situation in which we find ourselves. And although the stress of the war, and the conditions it has imposed, have revived and intensified political divisions and economic animosities, yet there is much in the record of the past to give cause for hope that we shall take up our post-war problems with the same general toleration of spirit which has hitherto made possible our advances towards social betterment.

NOTES.

- (1) It has been estimated that there were 50,000 unionists in Australia out of a total population of 2,700,000 in 1885, and 546,500 out of a population of 4,875,000 in 1916. Thus the proportion of unionists would be 1 in every 318 of the population in 1840, 1 in 54 in 1885, and 1 in 9 in 1916.
- (2) Gipps' reputation has suffered through the unpopularity which his firm administration of the political system in New South Wales as he conceived it to be roused among his contemporaries. Recent historians admit him to have been among the ablest of the Australian Governors. (See Ernest Scott: "A Short History of Australia." A. W. Jose: "History of Australia.") In his opposition to great accumulations of land in few hands he was much more nearly the operatives' friend than they imagined.
- (3) The elections for the second Legislative Council in 1848 appear to have brought back the earlier alignment of radicals and operatives against conservatives and landowners. Cf. "the anti-transportation cause fell largely into the hands of the new men supported by the free immigrant working classes, and the movement was directed against the popular leaders of the past, with Mr. Wentworth at their head."—Henry Parkes: "Fifty Years in the Making of Australian History," p. 10.
- (4) For the greater part of the information about the Labour Movement before 1850, I am indebted to a thesis presented on that subject for the degree of M.A. by Miss Leila Thomas, Tutorial Class Lecturer in the University of Sydney. Miss Thomas has not only carefully examined the files of early New South Wales newspapers, but has also laid under tribute the minute books and journals of the early artisan societies. It is to be hoped that she will be able to publish the results of this exceedingly useful research work.
- (5) Already in 1839 the Chartist leaders—Frost, Jones, and Williams—had been transported to Tasmania for their share in a plot in Wales, while the arrests after the Irish '48 Rebellion brought to Australia a distinguished group of pioneers, including Smith O'Brien, Thomas Meagher, John Mitchell, and O'Donohue.
- (6) The number of gold-seekers during the fifties had been enormous. In the ten years, 1840-1850, the population of Australia almost trebled itself; while the population in Victoria during the same period increased by 750 per cent. By 1855 there were as many people in

Victoria as there had been in the whole of Australia in the year before the discoveries of gold. During the gold rushes, the immigrants into Melbourne averaged 2000 a week. The figures are:—Australia: In 1850, 404,089; in 1860, 1,141,563. Victoria: In 1850, 76,162; in 1860, 537,847.—See Federal Year Books of Australia (published by Commonwealth Government).

- (7) In 1856, in Sydney, 1709 tents were used as resi- in 1857, in Victoria, 45,161 canvas dwellings were being occupied.—(Report of Census, 1856.)
- (8) In 1853, carpenters, wheelwrights and blacksmiths received 15/- a day, with board and lodging; masons, bricklayers and smiths, without board and lodging, 26/9, 25/-, and 22/6 per day respectively.—(Quoted by Lightfoot and Sutcliffe, *Historical Development of Trade Unionism in Australia*, p. 51.)
- (9) Typographical Association, Sydney, 1851; Amalgamated Society of Engineers, Sydney, 1852; Operative Stonemasons' Society, Sydney, 1853; Society of Progressive Carpenters and Joiners, Sydney, 1854; Operative Bricklayers' Union, Victoria, 1856; Progressive Carpenters' and Joiners, Victoria, 1856; Typographical Association of Ballarat, 1857; Operative Plasterers, Sydney, 1857; Operative Bricklayers, Sydney, 1858; Stonemasons' Society of Queensland, 1858. For this and much other data concerning the early years of Australian Unionism, we are indebted to an excellent paper on "The Historical Development of Trade Unionism in Australia," by Gerald Lightfoot and J. T. Sutcliffe, published in *Trade Unionism in Australia* (Workers' Educational Association of New South Wales).
- (10) *Commonwealth Year Book*: Lightfoot and Sutcliffe, p. 55, give a list of the more important societies.
- (11) South Australia adopted the Acts in 1870, New South Wales in 1881, Victoria in 1884, Queensland in 1886, Tasmania in 1889, and Western Australia in 1902.—(*Commonwealth Year Book*, No. VII., p. 902.)
- (12) *Australia's Awakening*, by W. G. Spence, p. 496.
- (13) "If any evidence was needed to prove that the workers will never get their demands recognised in Parliament until they elect enough members of their own choice to form a majority, it can be found on looking back over these several Congresses."—So wrote a veteran of the movement in 1900, and, despite all the latter-day repudiation of political action by certain sections of the Labour world, his estimate remains substantially correct to-day.—See W. G. Spence, *Australia's Awakening*, p. 497.

- (14) Labour bodies and the Labour Press in Australia are never tired of poking fun at educational attempts and theorists, who do not exactly endorse their own views, but in truth Labour can be just as academic as a gathering of University professors in the discussion of debatable questions, which are not being immediately pressed by some influential section of the movement.
- (15) "He was the father of the very important idea of running a Labour paper on the lines of ownership and control with a regular subsidy, contributed by the Trade Unions and collected by them from their members as part of the regular contributions. The paper is thus independent of advertisers, has a guaranteed circulation, and puts all profits into the improvement and development of the paper."—(*Australia's Awakening*: W. G. Spence, p. 270.)
- (16) This was the motto of his newspaper, and was printed over the leader in each week's issue.
- (17) For this see St. Ledger: *Australian Socialism*, p. 61. It is an interesting political and constitutional document, and it makes an adroit attempt to solve the question of disposing of the sovereignty of this little state within a state.
- (18) There is a good account of Lane in St. Ledger's book, *Australian Socialism*, although the book is written from an anti-Socialist standpoint. An account of the Paraguayan scheme and its disasters is contained in *Where Socialism Failed*, by Stewart Grahame (Murray: 1912).
- (19) The whole document is printed in the appendix to Spence's *Australia's Awakening*, p. 614.
- (20) See *Origin and Growth of the Labour Movement in N.S.W.*, by George Black, p. 13. Lightfoot and Sutcliffe date this resolution as 1888 at the Congress in Melbourne.
- (20a) In 1874 a working carpenter had been returned in New South Wales, and in 1880 an engine-fettler had been sent in by the Trade Unionists of Balmain, who guaranteed to pay him a salary. In Victoria a Labour sympathiser had been elected for Collingwood as far back as 1859, and later on the diggers of Ballarat had financed a successful candidate. In 1887, in South Australia, the United Trades and Labour Council secured the return of no less than seven out of nine candidates for the Legislative Assembly, and in 1888 a Labour man was returned to the elective Upper Chamber. In the 1888 General Elections in Queensland four men stood as Labour candidates and one was elected.

- (21) The resolution was as follows:—"To establish a distinct Labour group in Parliament who shall have their own whips and agree upon their own policy, which must embrace a readiness to co-operate with any party which, for the time, may be engaged in promoting legislation in the direct interest of Labour."—(See Kirkup, *History of Socialism*, 5th Edition, p. 384; and *Encyclopædia Britannica* XI.: Art: "Labour Party.")
- (22) *Manhood Suffrage* came into force in South Australia in 1855, in Victoria in 1857, in N.S.W. in 1858, in Queensland in 1872, in West Australia in 1890; in 1894 South Australia adopted complete Adult Suffrage, and in eleven years all the Colonies and the infant Commonwealth followed her example.
- Voting by Ballot* was established from the outset in Victoria and South Australia (1856), in N.S.W. in 1858, and in Queensland in 1859. Not till 1872 was this adopted in England. In the debates the reform was constantly alluded to as "the Victoria Ballot." In the U.S.A. it is known to-day as "the Australian Ballot Law."—(See Bryce's *American Commonwealth*, Vol. II., p. 148; also *Life of Henry George*, p. 463.)
- Payment of Members* was introduced in Victoria in 1871, and was subsequently the occasion of an important constitutional crisis. South Australia adopted the principle in 1872, N.S.W. in 1889, Western Australia in 1900. It has always been the practice of the Commonwealth.
- Triennial Parliaments* were adopted in South Australia in 1856, in Victoria in 1859, in N.S.W. in 1874, and in Queensland in 1890.
- Plural Voting* was not abolished until after the nineties, but it has since been discarded in elections for the popular chamber in all the States, except Queensland.
- (23) Quoted by George Black in *Origin and Growth of the Labour Movement in N.S.W.*, p. 14. Out of the total strike fund of £48,736 collected for the London dockers, the Australian contributions were £30,423. The British general public subscribed £13,730. The British Trade Unions, apart from the London bodies who were maintaining members, contributed £4473.—Perris, *Industrial History of Modern England*, p. 432.)
- (24) *Black op. cit.*, p. 11, gives some interesting examples of this.
- (25) Speech at the conclusion of the Bristol Poll, 3rd November, 1774.
- (26) Curiously enough, the Australian Labour Party, though it has adopted preferential voting for its pre-election ballots and for elections of officers, has not yet advocated this method for parliamentary elections.

Possibly existing political situations have modified the desire of the party to introduce this reform.

- (27) Before the foundation of the Commonwealth, it was customary to refer to the several States of Australia as Colonies. Since then, the wording of the Federal Constitution has imposed upon them the name of States. I have endeavoured to follow this terminology throughout this essay. It is undoubtedly confusing to other than Australian readers, and it would seem to be wiser for the sake of international usage to substitute for the ambiguous word "State" in this connection the apter expression "Province."
- (28) Queensland was not represented, and Western Australia's representatives were chosen directly by its Parliament.
- (29) *Socialism As It Is*, by W. E. Walling, p. 91.
- (30) For discussion of this policy, see the other chapters of this book.
- (31) This question is discussed in a paper on "Industrial Arbitration in Relation to Socialism," by F. A. A. Russell, which is published in the volume, *Trade Unionism in Australia*.
- (32) *The People*, Sydney, 3rd May, 1917.
- (33) *Direct Action*, Sydney, 30th June, 1917.
- (34) *The Brisbane Worker*, 20th February, 1909.
- (35) A French critic makes a similar criticism about the Political Life of New Zealand. "What the New Zealanders most need, in fact, are principles, convictions, and reasoned beliefs" (André Siegfried, *Democracy in New Zealand*).
- (36) *State Experiments in Australia and New Zealand*, Vol. I., pp. 50, 63.

CHAPTER V.
**THE JUDICIAL REGULATION OF INDUSTRIAL
CONDITIONS.**

By Mr. President Brown.

Historical.

For some time Australia and New Zealand have been engaged in a series of experiments which involve a wide extension of the "sphere of the State" in relation to the control of industrial conditions. The systems most in vogue in Australia involve a combination of Wages Boards and Courts of Industrial Appeal or Arbitration. The structure and functions of the Wages Board are familiar to students of industrial progress. Courts of Industrial Arbitration have an appellate jurisdiction with respect to determinations of Wages Boards, and an original jurisdiction in industrial matters generally. Both the boards and the courts are parts of a system of control (as distinguished from the ownership or management) of industry by organised public authority. In earlier times the wages boards aimed mainly at the elimination of sweating; but the system of public control of industrial conditions now aims at securing justice as between employers and employees by a progressive expansion of the Rule of Law.

The incalculable importance of the movement is indicated by the title of an article written by Mr. Justice Higgins, President of the Commonwealth Court of Conciliation and Arbitration, and published in the "Harvard Law Review," November, 1915. The article is entitled, *A New Province for Law and Order*. It rarely happens in the history of mankind that the full importance of a great movement

is realised till long after its initiation. Certainly, I think few people in Australia realise the immense significance of the effort of the organised community to determine industrial conditions by judicial or quasi-judicial tribunals. The causes which tell for an increasing importance of questions relating to the organisation of industry, and the fact that the relations between citizen and citizen which call for determination are more and more economic, imply that the *New Province for Law and Order* is a province likely to become one of ever growing, if not of supreme importance. Criminal law and civil law will remain; but alongside of them will be the great subject of Industrial Law. This law is, in point of fact, now being evolved out of a long series of conflicts and disputes relating to industrial matters. The process, in part, is reminiscent of a passage in which Mr. Manson eulogises Dr. Lushington for his great work in the development of our Maritime Law. "The rough-hewn block of maritime custom is chipped and fashioned with careful forethought, and fitted into the great structure of British Law."—*Builders of our Law*, 2nd ed., p. 46. But I am now seeking to emphasise not the nature of the process but its importance, and the responsibilities associated with it. Even if we were to disregard for the moment such multitudinous issues between employer and employee as those relating to hours of work, sanitation in its widest sense, conditions of boy labor and apprenticeship, etc., etc., and were to suppose industrial courts to deal only with the single question of wages, the fact would remain that in the particular cases which come before a judge of an Industrial Court, the judge has to settle issues which, when capitalised, involve hundreds of thousands of pounds, and sometimes millions. In a recent case, a trade union secretary objected that the legal expenses incurred in the course of the hearing had been £200. I pointed out to him that the statement of claim of his organisation,

as to wages alone, had really amounted to a claim for £300,000. He answered—"Yes, but we did not get it." My rejoinder was—"No, you didn't get £300,000; you only got £240,000." Of course, sometimes it is the other way. I have had on occasion to reduce the rate of wage. But whether an industrial judge decreases or increases the rate of wage, though the amount seems small as regards the weekly earnings of a particular employee, the total result on the yearly earnings of the employees in the industry generally is apt to attain figures of such dimensions as to impose upon the judge a responsibility of the gravest character.

It is not, however, the money aspect that is necessarily the most important aspect of the movement towards the public control of industrial conditions. The rapid progress of modern industry, the increase in the output of the worker (whether due to mechanical inventions, scientific research, improved business organisation, or other causes), and the increased complexity of modern industrial organisations, necessarily create a thousand new problems, of which many must be settled either by an appeal to law or by an appeal to might. After all, such weapons as the strike and the lock-out are but forms of an appeal to might. The settlement of industrial differences by a Wages Board or Industrial Court involves an appeal to law. These differences have been so numerous, and are so certain to increase with the progress of society, that the organised community ought to deal with them according to reason and justice through the action of impartial tribunals.

Industrial Legislation and Industrial Law.

The industrial legislation of Australia is scarcely more than a provision of machinery for the purposes of settling industrial disputes or dealing with industrial matters. The term "Industrial Law" may be used in the wide sense to include both the legislation which provides the machinery, and also the principles which such machinery from

time to time formulates. The latter sense of the term, however, appears to me the sense most appropriate, and the subject matter is also of greater interest to the general reader.

I propose, therefore, to limit myself in the present chapter to Industrial Law in the sense indicated. But further limitations follow almost as a matter of course. I have not space to speak of the work which has been done by Wages Boards, is being done, and I hope will continue to be done. The settlement of industrial conditions by such bodies is necessarily of a more or less empirical, if not opportunist, character. To arrive at the code of Industrial Law one has to pass beyond Wages Boards' determinations, and beyond the important functions discharged by Industrial Courts acting as Tribunals of Conciliation with a view to effecting an amicable settlement of disputes. One must go directly to the awards of Industrial Courts in cases which have been heard before them, either in their original or appellate jurisdiction, with the usual judicial procedure as to argument by counsel and the evidence of witnesses. Further, there are several Industrial Courts in Australia, and, while it would be uncharitable to suggest that there are as many distinct codes of Industrial Law, yet the fact remains that some divergencies exist between the principles underlying the awards of the different courts. Limited as I am in the matter of space, I shall content myself with a statement of the general principles evolved or adopted in the particular court over which I preside.

Scope of Industrial Conditions.

In the South Australian Industrial Arbitration Act of 1912, the term "industrial matters" is defined in a sense so wide as to include almost every conceivable question likely to arise between employer and employee. It includes, for example, wages, hours of employment, sex, age, qualification or status of employees; apprenticeship;

employment of children; the right to dismiss, or the right to employ or reinstate in employment persons or classes of persons in any industry; and all questions of what is fair and right in relation to any industrial matter having regard to the interests of the persons immediately concerned and of society as a whole. The Act defines "industry" in a broad sense—a sense which includes the work done by employees of municipalities. The Act provides machinery for punishing offences against the Act; and it prohibits the lock-out and the strike, under penalties of fine (which may be made a charge on wages due or to be due, and may be made a charge on the association of which the offender is a member) and imprisonment.

It will thus appear how multitudinous are the issues which may come before the Industrial Court. I propose to confine myself in the main to the most difficult of all issues—the *determination of the rates of wage*. But before entering upon this subject, I venture a word on the topic of industrial conditions generally.

Restrictions upon Employers in the Conduct of Business.

While a large section of the employees object to a prohibition of the strike—a subject to which I shall refer later—a large number of employers object, if not to some public control over their business, at least to the scope of that control as exercised by Industrial Courts. In *The Carpenters' and Joiners' Case* (1916-18, S.A.I.R., p. 170), I stated three propositions which appear to me to be applicable to the question of how far the Court ought to go in imposing conditions on the way in which employers should conduct their business. I quote the substance of the three propositions here:—

(1) Reasonable conditions or restrictions which control the employers in an industry generally, and not merely particular employers, are in the interests of the reasonable employer. Few

phenomena of industrial evolution have been more common or more distressing than that of the reasonable employer endeavouring to provide reasonable conditions for his employees but prevented from doing so by competition with the less scrupulous employer. Indeed, where there are 50 employers in an industry, half a dozen of them, or even a lesser number, by standing out against the establishment of desirable practices and conditions of employment, may make it impossible for the great body of employers to effect desired reforms. It is intolerable, to take an extreme example, that an employer who desires to pay his workmen reasonable wages, or who desires to observe reasonable conditions generally, should be subject to the danger of losing his market as the result of competition with some other employer who is prepared to sweat his employees.

(2) Reasonable restrictions are not only in the interests of the reasonable employer. *They are the very condition of the well-being of the employee.* Of course, when speaking of restrictions on the conduct of a business, one is apt to think almost exclusively of such matters as wages and hours. There is a tendency at present in Australia to be obsessed by the question of wages and hours. But the health, comfort and general conditions under which a workman works, are often of more pressing importance to him than the question of wages and hours. They may involve—and, in fact, in many cases do involve—a number of restrictions on employers. Their recognition and sanction are not the least important of the functions which an Industrial Court can discharge as an agency of industrial progress.

(3) The restrictions must be reasonable. In industries generally there is need for a certain degree of elasticity. This is no doubt the reason why Industrial Courts have so frequently affirmed the principle of "non-interference with employers in the conduct of their business." One business might be conducted on quite legitimate lines, and

yet not be conducted on the same lines as another legitimate business. One reasonable employer's methods may not be the same as another reasonable employer's methods. One locality is not the same as another locality. To quote from the case cited: "The appellants ask that a lock-up should be provided on all jobs. The respondents reply that, while this is generally done, there are many jobs on which a lock-up is not necessary, and some jobs on which it is not practicable. Cast-iron regulations, or excessive regulation, may regulate reasonable employers, or even a whole industry, out of existence. Hence, with regard to several of the claims submitted, I propose to introduce in my award the words *wherever reasonably practicable*. Mr. Hargrave said, on behalf of the employees, that these words would stultify the value of the award, and throw upon the employees in a particular case the impossible burden of proving that the observance of the prescribed condition was reasonably practicable. I am unable to concur with Mr. Hargrave's argument. In the first place, if an employer fails to observe the conditions where he might reasonably have done so, I cannot see for a moment that it would be impossible in all cases, or even in the majority of cases, for the employees to prove to the satisfaction of the Court that he had been guilty of a violation of the award. In the second place, even conditions which are qualified by such words as I have suggested, have a value as setting up a standard which an employer, even in his own interest, should respect. It is certainly not to the interest of an employer to act in a matter of this kind in a way that would be likely to give offence to his employees. One of the first conditions of successful business management is to keep on good terms with the employees. An employer, or a manager, who neglects this elementary principle by capriciously disregarding restrictions or conditions which are awarded by this Court, is not likely to get the best possible results out of his workmen. In the third place, if it should be shown

that the introduction of such words as I have indicated have the effect of nullifying to a serious extent the value of the conditions to which the words are attached, then the employees have the right to come before this Court and ask the Court to vary its award, and to make conditions absolute which previously had been qualified."

Wages: The Living Wage.

Of all the questions which have arisen for decision in cases before me, the question of the rate of wage has been at once the most difficult and the most important. In *The Salt Case* (1916-18, S.A.I.R., p. 1), I referred at length to the section of the South Australian Industrial Arbitration Act of 1912, which precludes the Court from awarding less than a *living wage*. An earlier decision by Mr. Justice Gordon had laid down the unchallengeable principle that the living wage must have regard to what is necessary for the maintenance of a married man with wife and children to support. The adoption of any other principle would have placed a premium on celibacy and infecundity. The Act above referred to, Section 22, defines a living wage as "a sum sufficient for the normal and reasonable needs of the average employee living in the locality where the work under consideration is done or to be done." I pointed out in the case cited that the words "normal and reasonable" qualify and complement one another. A wage might be normal which is not reasonable; it might be reasonable and not normal. The term "reasonable" has sometimes been described as a question-begging epithet. In *The Carpenters' and Joiners' Case* (1916-18, S.A.I.R., p. 170), I elaborated the meaning of the term. An Industrial Court, when declaring the living wage in a particular community, should endeavour to give an award which will stand the following tests:—

- (a) A proper maintenance of margins for workers who have a claim to additional remuneration (on the ground of skill or circumstance), and salaried employees generally, including management. (b)

A fair margin of profit for capital reasonably invested in industries efficiently conducted. (c) The avoidance as far as practicable of the danger of increasing the nominal wage while decreasing the real wage. Any benevolently-minded judge can raise nominal wages, but it may take much thought and the co-operation of many agencies (public and private) to secure an enduring rise of real wages interpreted in the purchasing power of money. (d) The provision for the unskilled worker of a remuneration which will enable him to maintain himself and family in health and efficiency. I may add that, under the various South Australian Acts, special provision is made for *bona fide* cases of aged, slow, inexperienced or infirm workers. Of course, the above remarks as to the living wage have to be qualified in the case of apprentices and improvers under 21 years of age or where employees are "kept." For the complex question of women labour the reader is referred to some suggestions made in the appendix at the end of this chapter. Several cases are now pending before the South Australian Industrial Court, in which it will be necessary for me to deal exhaustively with the subject of the wage for women; and it would not be proper for me at the present moment to do more than quote certain preliminary observations which I ventured to make in a case now in course of hearing.*

From the preceding paragraph it will appear that the "reasonable needs" of a male worker involve some reference to the question of an equitable distribution of the national income and output. While a Court which took upon itself the part of a Universal Providence would introduce inconsistency and chaos in the industrial system, it is, nevertheless, true both that the "reasonable needs" of the worker in a community where the national income is high are greater than those of

* One of the cases referred to in the text has since been heard, and a very full judgment delivered—(*The Printing Trades Case*, 1918-19, S.A.I.R.); cf. also *The Living Wage for Women Case*, 1919, No. 23.

the worker in a community where the national income is low, and also that the judicial interpretation of "reasonable needs" must be affected by substantial variations in the national income (see *The Plumbers' Case*, 1916-18, S.A.I.R., p. 116, at pp. 120-125). The judge of an Industrial Court must not lose his head because he sees some employers, or even some industries, making large profits. Nor, on the other hand, must he allow his estimate of the living wage to be affected by the existing wage in a sweated industry.

Wages: The Minimum Wage.

I distinguish between the living wage and the minimum wage for unskilled labour. The living wage is the bedrock below which the Court cannot go; it applies to all industries irrespective of whether the industry can afford it or not, and, in fact, irrespective of how much such industries can afford to pay. The claims of a struggling industry, which it is desirable to retain in the community, but which cannot pay a living wage, are matters for the consideration of the Legislature (or the Government), which in manifold ways may subsidise the industry until it has become established on a sound financial basis. *Per contra*, the minimum wage applies solely to a particular industry. The wage may be affected by considerations of expediency which would be irrelevant in the calculation of the living wage, *e.g.*, the fact that a certain rate of wage has already been agreed upon by the parties; possibly the fact that the labour in a particular industry is peculiarly responsible, laborious or disagreeable, or possibly the fact that the particular industry (as distinguished from a particular business concern) is flourishing. All these, and even other considerations, may be relevant for the purpose of determining the minimum wage. Further, I distinguish, not merely between the living wage and the minimum wage, but also between the living wage and *nominal variations of the living wage*. Intermittent labour is an obvious example. If, in a

particular industry, a worker on an average obtains only 40 hours' employment per week, and some days 10 hours' work and some days 4, a living wage of 9/- per day of 8 hours, means not $1\frac{1}{4}$ per hour, but, say, $1\frac{1}{4}$ per hour. So, also, in industries seriously prejudicial to the health of the worker, or seasonal industries, or, again, industries which involve an exceptional charge on wages, for example, as a result of a necessity to keep up appearances.

Wages for Skilled Labour.

It has been my custom, in fixing wages for the skilled labourer, to be guided mainly, though not exclusively by customary margins hitherto prevailing in the industry concerned between the unskilled and skilled rates of remuneration, and by the rates of remuneration existing for comparable work in kindred industries. The most common difficulty has been to determine whether labour is skilled or not. In illustration, I may quote from my judgment in *The Salt Case* (1916-18 S.A.I.R., p. 1, at pp. 13-14):—The arguments for awarding a higher wage for skilled labour need no statement. . . . The labour engaged in the salt industry generally is unskilled labour. Much evidence has been adduced to show that the various classes of workers so engaged are skilled. But the evidence has been quite unconvincing. I do not know of a single occupation that does not require some kind of skill in a sense. It even requires some skill to blow one's nose. But I have to distinguish between the knack to be learned, for example, in carrying a bag of salt with the minimum expenditure of energy and with the minimum discomfort, and that positive skill which implies training or special aptitude, and which alone can be taken into consideration, when awarding a higher than the minimum wage.

The Application of Wage Principles.

Anyone at all acquainted with economic problems will realise how difficult must be the application of the foregoing general principles in terms of money.

But an Industrial Court, in undertaking this difficult, important, and delicate task, has a good deal of assistance, not merely from custom (as evidenced, for example, by family budgets of weekly earnings and expenditure), but also both from the precedents of other Industrial Courts, Commonwealth and State, and also from the carefully-tabulated investigations of the Commonwealth Statistician as to variations in the purchasing power of money, industrial conditions, and the national savings, output and income. Further, there are certain correctives which at once afford a hint to an industrial judge and a temporary palliative in case of errors or miscalculation which he may make. Apart from the possibility of Governmental action in relation to the promotion of industrial efficiency—an action particularly appropriate in the case of struggling industries—there exists in Australia the power to subsidise an industry either by bounty or by promoting facilities for transport and marketing, or by raising the tariff, etc. Of all the corrective measures the most obvious is an increase in the price of the commodity produced. Although an increase in wages should come as far as possible out of profits, it may be sometimes necessary where wages are raised to pass the increase in the cost of production to the consumer.

Wages and Prices.

From the remark at the end of the preceding paragraph, it will be inferred that the subject of the price of commodities is one which must be ever present in the mind of an industrial judge. The relation of wages to prices involves questions of such difficulty and importance for the purposes of industrial arbitration that I make no apology for quoting at length from my own judgment in *The Carpenters' and Joiners' Case* (1916-18, S.A.I.R., p. 170, at pp. 172-7):—"The fixing of wages is among the most important functions of the Industrial Court. If the Court is to discharge the function wisely, it

must act in accordance with general principles, to some of which I have referred in previous cases. It is a part of the work of the Court to enunciate these principles, not merely for the purpose of explaining or justifying its award in a particular case, but also for the purpose of simplifying or preventing litigation in the future. If an omniscient legislator could frame a complete code of industrial law, applicable to all conditions, and to the future as well as the present, the delays and expenses of litigation might be altogether avoided. The omniscient legislator, however, has yet to be found. Meanwhile the Industrial Court, fallible though it be, has to do its best to make good the deficiency, and to give form and substance to the conception of industrial law as a body of progressive principles regulating the relations of employer and employee. In pursuance of this function, as well as incidentally to a just settlement of the present case, I regard it to be my duty to refer very briefly to what I may call the 'Theory of the Pernicious Circle.' Briefly stated, the theory is this—(1) That prices of commodities vary with the cost of production; (2) that an increase in wages is reflected in an increased cost of production; (3) that a Court of Industrial Arbitration, which awards an all-round increase of wages, necessitates an increase in the prices of commodities; (4) that when this increase has taken place the Court must revise its previous estimate of wages, in order to maintain its standard interpreted in the purchasing power of money; and (5) that again the cost of living must go up. And so on *ad infinitum*.

"While this theory is sometimes used to discredit the whole system of industrial arbitration, it is, of course, used more especially as an argument against proposals for awarding an increase in the rate of wage. The theory, in one form or another, and with many variants, has caused amongst employers much unrest and uncertainty, with a corresponding disinclination to take those risks which the efficient functioning of industry

demands. Among employees, too, there has been an attitude of unrest and discontent, sometimes amounting to despair. 'What is the good,' the employee asks, 'to get an increase of wages if the increase may be rendered merely nominal by decrease in the purchasing power of money?'

"For the reasons just mentioned, and for others that I might indicate, I think I ought to state certain facts:—(1) This Court has never admitted that wages should necessarily be either increased or decreased in arithmetical ratio to the purchasing power of money. (2) The theory in question overlooks the variety and relative importance of the factors which go to determine the purchasing power of money. It is, of course, quite true that wages in Australia have been generally and substantially raised in recent years. In order to be consistent with pre-established standards, Courts of Arbitration have had from time to time to adjust what is called in this State the living wage. But this readjustment has been an effect rather than a cause of the increased cost of living. An eminent American economist, Irving Fisher, writes:—'The shrinkage of the dollar, amounting to more than one-third in the last 18 years, is due to the inflation of money and credit, or, in other words, to the fact that the means for conducting trade have outrun the volume of trade to be conducted thereby.'—(*Why the Dollar is Shrinking*, 1914, at p. 189.) Speaking of Australian experience, it is safe to say that, while increased rates of wage have often contributed to an increase in the price of particular commodities, the general rise in the cost of living is mainly due to world prices and world influences. But supposing other factors than wages should remain the same, an increase in wages does not necessarily mean a decrease in the purchasing power of money. The increase in wages may come out of profits, where profits of an industry admit of this being done; or, again, increased efficiency by employers or employees may more than make good the difference in wages. It is the duty of

price-controlling authorities to see that any increase in wages is not made a pretext for an undue enhancement in the price of commodities. Such authorities, in arriving at a decision in any particular case, will naturally take into consideration the question whether the increase in wages could reasonably come out of profits, and even the question whether, assuming the increase in wages could not come out of profits of the industry as previously conducted, an increased efficiency, a better organisation, or better work by the workmen, would not enable the higher wage to be paid without charging higher prices for the commodity produced. (3) Most of those who use the 'Theory of the Pernicious Circle' as an argument against the system of regulation of wages by public authorities, probably fail to realise that they are, by implication, advocating a return to supply and demand, or to collective bargaining, with its corollary of appeals to lawless force. The public regulation of wages does not eliminate supply and demand, but it qualifies their operation. For example, it precludes, or should preclude, anything in the nature of sweating. *Per contra*, since the Courts only prescribe minimum rates for all workers, they do not preclude the operation of supply and demand in favour of the more efficient worker. (4) Some socialists use the argument of the 'pernicious circle' as a proof against the possibility of progress under private-owned industry; but without expressing any opinion as to the relative merits of private and public-owned industry—which is a question for the High Court or Parliament—it ought to be apparent that under any scheme of socialism which is likely to prove at all workable, increased rewards for services rendered, whether called wages or not, would be liable to a like danger of enhancing the costs of production and the charges for the commodity produced.

"The element of truth in the 'Theory of the Pernicious Circle' is that, at a given stage in the history of a particular society, there is a limit to

the amount which should properly be awarded for wages. I use the term wages here in a very broad sense to include not only the living wage for unskilled labour, which is partly ethical in the sense that it discards the value of the work produced by particular workers, and is based on *normal and reasonable needs*, but also to include the superstructure of wages or salaries for other classes, all of which, of course, affect the cost of production. Both wages and profits have to be paid for out of the price paid by the consumer. If, whether by collective bargaining, or by strike, or by judicial regulation on the part of public authorities, an attempt is made to narrow unduly the margin of profit on capital, then there is likely to be a period of industrial dislocation, and every class of the community is likely to suffer. I am not now thinking of the fact that, in a young country like Australia, we are largely dependent upon the allure-ment of capital from abroad, although this fact is significant. I will suppose, for the sake of argument, that our community is self-contained. Even in such a case, if a fair return on capital is not allowed, the immediate result is the crippling of industries generally. Employers, instead of expanding their business, scrapping old machinery, and taking the risks necessary to the efficient functioning of capital, will 'sit tight.' All classes are likely to suffer—probably the employees most of all. *Per contra*, conditions in a particular community favourable to the investment of capital mean a multiplication and expansion of industries, an increased demand for labour, and an increased opportunity for labour to obtain rates above the minimum rates fixed by law, custom, etc. Parenthetically, I may remark that I am here holding no brief for individual capitalists. It is no part of the duty of the Court to keep down wages in a particular industry, so as to ensure to all capitalists engaged therein a margin of profit. Again and again the Court has said that if an industry cannot carry on without recourse to sweating it must go

under, unless, indeed, the community sees fit to subsidise it by bounty, tariff, etc. Further, it is no part of the duty of the Court to act as a protector of the inefficient capitalist. In its estimate of marginal profits, the Court is justified in assuming a reasonable degree of efficiency on the part of those who control capital. Every day individual capitalists are going to the wall. It is equally true, of course, that some capitalists make extraordinary returns. It would conduce to lucidity of thought if the distinction between capital and individual capitalists were more generally appreciated.

"I may give point to my previous remarks by referring to my estimate of 9/- per day as the living wage for South Australia, in *The Living Wage (Tin-smiths') Case* (1916-18, S.A.I.R., p. 55.) In that estimate, I assumed an abnormal economy on the part of the worker owing to war conditions. But, for the moment, and in order to clarify the present issue, we will suppose that the 9/- per day was a fair and reasonable estimate of the living wage, apart from the call for economy resulting from war conditions. By that I mean that 9/- per day represented what, on a comprehensive view of the output of the community, it was safe for the Court to fix as a *bedrock*, below which wages must not be allowed to go. Suppose that, despite the reasonableness of the estimate of 9/- I had decided that at current prices 12/- should be declared the living wage, what would have happened? I will assume, of course, no intention to interfere with the just margins involved in the maintenance of the superstructure of wages for other classes than the unskilled labourer. It might be reasonably anticipated, I think, that there would be a great—possibly a frantic—effort on the part of employers to meet the new conditions by increased efficiency of organisation, management, and industrial mechanism generally. The beneficial results of such an effort are hypothetical; the probably certain result of awarding 12/- would have been as follows:—(1) A period of dislocation

would follow, involving much unemployment and the ruin of many establishments; (2) some industries not absolutely essential to the community would die out, leaving their employees to swell the ranks of unemployment; (3) many industries essential to the community would have to be supported either by increased tariff (in which case the consumer pays directly), or by increased taxation (in which case the general public contributes indirectly). In so far as taxation involves a levy on industry, it affects, or is likely to affect, the costs of production, and therefore the costs of commodities. A wise Legislature may do much to bring about an equitable distribution of the national income by a carefully reasoned scheme of taxation. But if it oversteps a certain margin, it increases the costs of production and the costs of the commodities produced. Returning to the question of the effect of an increase of the tariff in raising the cost of living, it does not follow that the employees only pay the increased price of the commodity in proportion to the quantity of the goods which they consume. In *The Living Wage (Tinsmiths') Case* (1916-18, S.A.I.R., p. 55), at pp. 77 and 78, I said: 'Whether wages rise through an award of the Court, or through the operation of supply and demand, is immaterial with respect to the effect of the rise of wages on prices. To put the matter rather crudely, I will suppose a self-contained community in which wages go up by an amount indicated by the symbol X. Suppose in the same community that the labouring class consume three-fifths of the commodities, it would be natural to argue that, even if the whole of the increased cost of production is passed on to the consumer, the labourers will receive a net gain. As consumers, they would pay three-fifths of X; as employees, they receive the whole of X. Unfortunately, the matter does not work out in this easy arithmetical way. In the long course of production from the raw material to the finished article for consumption there are many

parties involved, and we certainly cannot assume, especially in view of the difficulty of dealing in fractions of a penny, that each party will only add an exact proportion. He would be more likely to add a little extra. The net result might be that the labouring class, while receiving X increase of wages, would pay more than X increase in the cost of living.'

"It will be apparent from the preceding paragraph that the cost of living would, in all probability, be largely increased as the result of the decision of a living wage of 12/- under the circumstances indicated. In the course of time, and probably a very short time, to maintain the same standard wage interpreted in the purchasing power of money, it would become necessary for the Court to fix a much larger sum as the living wage; and this again, would lead, in all probability, to a further rise in prices. And so on *ad infinitum*.

"There is thus an element of truth in what I call the 'Theory of the Pernicious Circle.' But that theory comes into operation where there is a miscalculation by the Industrial Court or a failure on the part of price controlling authorities to supplement, by wise supervision, the operation of the determinants of the prices charged for commodities. In this connection I may again mention my award in *The Living Wage (Tinsmiths') Case*. In that case I increased the living wage from 8/- to 9/- per day. I am not aware that there has been an all-round increase in the cost of living since that award, although undoubtedly the cost of some commodities has gone up, mostly owing to war conditions. The evidence goes to show that, in declaring a living wage of 9/- I was keeping within the margin of safety. One reason why the rise in wages should not have been reflected in an increased cost of living was that, in a large number of industries, the unskilled employees were already receiving at least 9/- per day. The effect of my decision was to bring other industries into line. Further, it was probable that there was some diversion of

profits to wages. In any case, it is the duty of an Industrial Court, if it is going to raise the *living wage* (which is the basis on which it works with regard to the secondary wage for the other classes), to have regard to any increase in the cost of living which may reasonably be anticipated to result from such action. If the Court declares X as the living wage, and, *as an immediate result the general cost of living goes up*, and no allowance has been made for such increase, then the estimate of the living wage will need to be reviewed. Such a revision would mean a confession of miscalculation." To the foregoing I may add that the Commonwealth Statistician's figures relating to the decrease in the purchasing power of money in Australia in recent years require some qualification when considering the question of the actual increase in the cost of living. *v. The Living Wage (Tinsmiths') Case*, 1916-18, S.A.I.R., p. 55, at pp. 59-64.

Results of Industrial Arbitration in Australia.

While the public control of Industrial conditions has been of undoubted advantage in multitudinous ways to employees, and has also protected the great majority of employers from competition with employers who display a disposition to regard the wage-earner as a mere machine for turning out profits, the system cannot be said to have been an unqualified success. Perhaps no social experiment has ever been an unqualified success. However that may be, the public control of industrial conditions has not been an unqualified success. One proof of the fact may be found in the number of strikes in Australia, a number which in 1916 was so high as to constitute a record. Nor were things better in 1917. This is a grave indictment, and suggestive of serious imperfections. A lockout or a strike is an antiquated method of settling industrial disputes, is costly to the community, and involves a substitution of force in the place of an appeal to reason and

justice. As I have already suggested, economic, like civil relations, have to pass through three stages. In the first stage, the person wronged must take the chance of being able to redress the wrong by appeal to force. In the second stage, tribunals of conciliation are instituted, and these, while undoubtedly saving much injustice, are still quite inadequate. In the third stage, the settlement of disputes, industrial no less than civil, must be according to law. I do not say that strikes in the past have not fulfilled useful functions; nor do I say that even to-day at a particular moment in a particular industry the workers may not on occasion get more easily what they want by a strike than by law. But, looking at the interests of the employees as a whole, and in the long run (to say nothing of the interests of the employers and of society), it has yet to be realised in Australia how greatly those interests depend upon loyalty to the reign of law as distinct from the dominance of unregulated force. Employees who resort to force bring contumely on the whole system of industrial arbitration. They alienate that general public sympathy which has hitherto contributed towards the legislative redress of grievances or ill conditions under which the workers have suffered. They besmirch the whole class of wage-earners. They are false not only to the common good, but in the long run to those very interests which they profess to champion. In any particular case, each employee and employer should not only consider his own particular grievance; he should also consider the welfare of the class to which he belongs, and that welfare in the long run, and he must again consider society. If he neglects to do so, and resorts to force in derision of the law, he is not only a disloyal citizen: he betrays the real and abiding interests of his class and of society. *His betrayal is none the less dangerous because he may be acting by what he believes to be good motives, or because he does evil in the hope of good to come.*

Notwithstanding what I have just said, the public control of industrial conditions, although it has gone far to supersede the strike and the lock-out in South Australia—a result for which much is due to the efforts and tact of Trade Union secretaries—has not been successful as a strike preventive in Australia generally. Until it is a success in this respect, it must be regarded as being in an experimental stage. I propose to indicate some reasons why, in my opinion, the public control of industrial conditions in Australia has yet to make good in the particular respect indicated.

Quite a number of causes might be suggested all of which have more or less influence:—The antipathy, shared by Australian workers with workers in a great part of the civilised world, to the capitalistic system; a complacent view with regard to the issue of the world-war (accompanied by a tendency to regard loyalty to class interests as the supreme loyalty); the effect of increasing wages both on prices and the *morale* of the worker. To these causes may be added, since the recent division in the Labor Party on conscription, an irritation against Coalition Governments which do not include adequate (or any) representation of the Official Labor Party, and the difficulty of securing wise leadership amongst the body of employees. I content myself, however, with dealing at length with three special causes which appear to me to have had a wide influence over a period of years.

In the first place, the existing legislation is imperfect. The functions of Wages Boards are too limited. State Industrial Courts, though having wider powers, are not infrequently hampered as regards either their jurisdiction or their functions. Further, while there is a Commonwealth Court of Conciliation and Arbitration, as well as State Industrial Courts, no machinery has been provided for securing an approximate harmony between the decisions of the Commonwealth and State tribunals. The State Court has jurisdiction to deal with State

industrial disputes. The Commonwealth Court of Conciliation and Arbitration has jurisdiction to deal with disputes which extend beyond a State. The State Courts have necessarily to defer to the possibility that an award which they might think just in a particular case would cripple an industry which is in competition with the same industry in other States where a low rate of wage exists. On the other hand, the Commonwealth Court, though it may be unhampered by considerations of competition between industries in one State and those in another, is unable to declare a common rule. One of the most urgent requirements of the moment is the constitution of a Commonwealth Court of Industrial Appeals, representative of both Commonwealth and States, and empowered to grant leave to appeal from a State award or an award of the Commonwealth Court of Conciliation and Arbitration, to hear the appeal, to take fresh evidence where that may be necessary, to establish a common rule, and generally to rectify the errors or limitations of the Court below, and secure an enduring harmony between the existing Commonwealth and State Industrial Courts.

In the second place, the increase in the cost of living, the progress of popular education, aspiration and ideals, and world-wide influences such as the syndicalistic movement, have combined to create, if not a divine discontent, certainly industrial unrest. In particular, literature of a more or less syndicalistic character is imported into Australia, and although such literature may find its more energetic exponents among recent immigrants from foreign nationalities which have never enjoyed the measure of freedom and justice (political, civil, industrial) which is enjoyed in Australia, the contagion spreads; conclusions, possibly applicable in some older countries under a despotic sway, are accepted in all their force as if they were as applicable in Australia as in the country of their origin.

In the third place, I fear it must be admitted that a large proportion of the workers in Australia do not realise the complexity of the inter-relation between Capital and Labour. It is not apparent to them that an indiscriminating attack on Capital reacts unfavourably on themselves. As I remarked in the *Tug-boats Case*, 1916-18, S.A.I.R., p. 92, at p. 98, if it is desired to increase the wages generally and substantially, it becomes necessary to increase the national production—a fact which concerns employers, employees, and the general community alike. To increase the national production we must keep industries going, and we must attain a maximum of efficiency in each industry. This maximum of efficiency is apt in the minds of the employees to be associated with the distrusted process of "speeding up." But, as a matter of fact, efficiency experts in America are more particularly concerned to make suggestions as to greater intelligence in the management, and increased intelligence in the worker, so that every ounce of effort attains the maximum of result. A maximum of national production, again, demands a spirit of initiative on the part of the employers, a willingness to scrap old machinery, to extend plant and premises, etc., to extend business, even to speculate. If the industrial tribunals of Australia, or the prices regulation authorities of Australia, should fail to act with due regard to the facts just stated, the result would be to justify the criticism which has been sometimes made against them—that they are instrumentalities for the restriction of national production. In the net result the community suffers, the employers suffer, and the employees suffer.

What are the prospects of the public control of industrial conditions superseding the strike and the lock-out in the near future? Personally, I am optimistic as regards the answer to this question. New and more just legislation is promised, and popular education and experience are at work with

respect to certain anti-social influences just mentioned. At present, public opinion in Australia is inclined to hold that the *lock-out and the strike are wrong*. I think that the day is not far distant when the great body of workers will recognise *that the strike does not pay*. When this day dawns, the militant unionist will find an outlet for his zeal in such forms of social amelioration as are referred to later on. Those who take a pessimistic view of the future of compulsory arbitration are apt to refer to the impossibility of imprisoning a large number of strikers. But there are many other forms of penalty besides imprisonment, *e.g.*, power to summon compulsory conferences (and in case of obstinacy to refer the matter into Court), deregistration of unions, fines on individuals and on associations, variation or cancellation of awards, etc., etc. The ultimate efficacy of such forms of socially regulated force, like the law against duelling, will depend upon public opinion. In the meantime the advocate of compulsory arbitration has the consolations that occasional violation of a law is no proof that it is worthless, and that compulsory arbitration, while aiming at eliminating the lock-out and strike, has also various other objects. All these objects may be subsumed under the heading of "Substitution of reason and justice for appeals to unregulated force." But the variety of the objects should not be overlooked—the hazard of collective bargaining, the elimination of sweating, the creation of a new status of employee, the protection of the fair employer from the competitive tactics of the unfair employer, etc., etc.

Concluding Reflections.

(1) *The Progressive Character of Industrial Law.*—In the course of my experience in Industrial Court work, I have frequently had occasion to emphasise the necessity for an observance of *legality*, in the sense of uniformity, consistency, and conformity to reasonable expectancy, in the application of

rules to varying industrial disputes. If an Industrial judge decides without reference to the guidance of general principles, the substitution of law and order for unregulated force is not achieved. I have heard one capable observer say that, so far as he could see, the main function of Industrial Courts was to give to the wage-earners just enough to keep them quiet. Such an attitude is conceivable in very early stages in the history of an Industrial Court; but as the institution develops and precedents broaden, an Industrial judge is driven towards the goal of a coherent and enduring body of principles if he is to ensure industrial stability. But the point which I am most anxious to emphasise here is that the principles so formulated must not be regarded as a kind of cast-iron code. A great judge, Jessel, M.R., did not shrink from describing Civil Law as a body of progressive principles. So Lord Bowen described a judge's duty as the application of legal doctrines so as to meet "the broadening wants or requirements of a growing country and the gradual illumination of the public conscience." Cf. also Mr. Manson's eulogy of the way in which English Case Law was moulded by Dr. Lushington and others to meet the changed conditions of commerce.—*Builders of our Law*, 2nd edition, p. 46. Certainly, Industrial Law ought to be so administered. It is a body of principles worked out from precedent to precedent, and adapted from time to time to meet the needs and aspirations of a progressive society. I do not here advocate an unlimited discretion, which might be paraphrased as unfettered caprice. I do not advocate an equity which will vary according to "the length of the Lord Chancellor's foot." But between the extreme of cast-iron regulation and unfettered discretion or caprice, there is a middle course which it is incumbent upon an Industrial Judge to follow.

(2) *The Potential Economy of High Wages.*—There are several limitations upon the natural ambition of an Industrial Court to raise the rate of wage.

Apart from the danger to which I have previously referred that high wages may affect the prices of commodities in such a way as to neutralise the advantage of the increase of wages, an Australian tribunal has to remember that the rural industries are the mainstay of the country; that those industries have to be carried on in competition with other industries all over the world; and that to raise the wage in such rural industries so as to make them unprofitable, or to raise wages in metropolitan areas to such an extent as to achieve the same results indirectly, would tell for national bankruptcy. Subject, however, to such limitations as I have indicated, the potential economy of high wages, so often insisted upon by economists, cannot be ignored by Industrial Courts. It is not to the interests of employers that wages should be kept down to a bare subsistence level. In order to make possible a high state of industrial efficiency on the part of the employees, it is necessary that the wages should be such as to ensure the workman sufficient to maintain him in a high state of industrial efficiency and to provide his family with the necessaries for physical health and physical well-being. The mistake is often made by private employers, which is often, and I fear justly, attributed to Governments—the mistake of *seeking efficiency through economies rather than economy through efficiency*. But the argument does not stand on this basis alone. It stands also on the broader basis of the interests of society. Malnutrition, whether of the workmen or their wives or children, spells for national inefficiency. Further, although in the past large families have been commonly associated with the lower paid workmen, in a community like Australia, where a fairly high standard of popular education exists, a low estimate of the living wage places a premium both on celibacy and on a low birth rate—a consequence of immense significance in view of the fact that Australia needs a large increase of population for its defence and the development of its resources.

Finally, as economists have frequently pointed out, high wages mean an increase in the demand for those commodities which involve a maximum of employment.

In the preceding paragraph I have referred to time present. But, looking at time to come, it is reasonable to anticipate an increase in the productivity of industry resulting from the progress of mechanical inventions, improved methods in the organisation of industry, or an increased efficiency of the worker. No one will deny the right of the worker to share in this increased productivity of industry. It is true, of course, that the workers themselves may fail to co-operate with the employers for the purpose of securing the maximum of output; and such failure might neutralise the good results which would otherwise follow from new inventions or improved methods in the conduct and organisation of business concerns. But assuming that the workers as a body recognise, or come to recognise, the fatuity of the various forms of failure to co-operate with employers in the processes of production, there should be a progressive rise in wages without precluding a proper margin for profit on capital reasonably invested in concerns efficiently managed.

(3) *Complementary Agencies of Social Amelioration.*
—Some workers appear to hold that upon Wages Boards and Industrial Courts rests the whole burden of ameliorating the conditions of the working class. Hence a great deal of recrimination, which a statesman has described as the easiest and least expensive form of self-indulgence. As a matter of fact, there are quite a number of complementary agencies, to some of which I may refer here. In the first place, Industrial Courts only prescribe minimum rates of wage, together with what are considered just conditions of labour generally. But the prescribing of minimum rates of wage does not prevent the operation of supply and demand in favour of the more competent worker, or, indeed, in

times when labour is scarce, or capital abundant, in favour of all workers. In the second place, the action of Industrial Courts does not preclude the possibility of such schemes of social amelioration as distributive co-operation, profit-sharing, or of co-partnership (in the sense of a share in the profits and control of business concerns). An objection to profit-sharing or co-partnership which has told against their adoption in older countries does not apply in Australia with its public machinery for the regulation of hours of labour, rates of wage, etc. Either system could be grafted on the present system of public regulation to the advantage of all parties and the community in general. In the third place, there is an immense field for legislative and administrative activity in the way of increasing industrial efficiency by provision of public Departments of Research; by raising the standard of popular education; by adjustment of the incidence of taxation (with special reference, *inter alia*, to the man with a family to support); by old-age pensions; by schemes for insurance against unemployment; and by the public control of monopoly or quasi-monopoly prices.* It has been sometimes said that the chief function of Wages Boards and Industrial Courts is to prevent sweating. While, as a matter of fact, both Industrial Courts and Wages Boards go far beyond this end, they still leave an immense field for the activity of private and public agencies along the lines just suggested. It has been well said that "the working-class has four legs, and unless it has all four at once it cannot stand upright. These four are the Trade Union movement, the Co-operative movement, Education, and the Political movement." Industrial Courts may be regarded as a particular application of the political movement. These Courts constitute but one of many agencies in the process of social amelioration. If some of

* C.f. Jethro Brown: "The Prevention and Control of Monopolies."

the energy which is occasionally spent in criticising industrial awards was diverted into other channels, the results would prove more beneficial.

Bibliography.

I have some hesitation in making suggestions as to reading for the benefit of students who may desire to go into the subject more thoroughly than it has been possible for me to do within the compass of a single chapter. My hesitation is certainly not the result of a paucity of materials. I may, however, refer especially to the awards of the various Australian Industrial Courts; to the article, already cited, by Mr. Justice Higgins on *A New Province for Law and Order*; to the report of Mr. A. B. Piddington, K.C. (now Chairman of the Interstate Commission), printed in 1913, on the subject of Industrial Arbitration in New South Wales; to the various reports of Mr. Stewart from time to time, extracting the essence of the decisions of the Commonwealth Court of Conciliation and Arbitration; to the published contributions of Mr. J. B. Hammond; to the recent work by Mr. Murphy, secretary of the Department of Labour, Melbourne, dealing with *Wages and Prices*; and to Mr. Mamilton's *Compulsory Arbitration in Industrial Disputes*, published in 1913.

Appendix: Women's Wage.

As regards the case of women labour, which has only recently, so far as I know, come up for consideration by the South Australian Court, I made some preliminary observations in a case recently heard. (*The Printing Trades Case*, S.A.I.R., 1918-19). The observations were made to facilitate or invite argument, and to give some hints as to the course of evidence. I state the substance of the observations here for what they are worth, in view of the growing importance of the subject, the manifold character of the issues involved, and the extent to which the interests of all classes of the community are affected. I pointed

out in the case referred to that, as regards women, although some are the bread-winners of a family, it is impossible for an Industrial Court to deal with the class on the basis of cases so exceptional. This cuts both ways. If a Court is not justified in taking the case of a woman who is the bread-winner of a family in estimating the living wage for women, neither would it appear to be justified in basing its estimate on the customary earnings of those women who live under the parental roof. The Commonwealth Court of Conciliation and Arbitration, for example, takes as a basis the woman who, whether she contributes to the family income or to the upkeep of a boarding-house, earns enough to enable her to keep herself in the necessities of life. The principle may not be of universal application, but its application would appear to be at least general.

Much is heard in these days of *equal pay for equal work*. This abstract principle has an alluring sound, but in a world full of complexities and imperfections abstract principles must often yield to considerations of practical convenience. The abstract principle in question pre-supposes the calculation of a wage by reference to the value of the work done. Carried to its logical conclusion, the principle implies that all men and women who work for their livelihood should be paid, irrespective of sex and irrespective of the laws of the land which impose on men the duty of maintaining the home, a wage according to the value of their work. As a matter of fact, the determination of "value of work" is well nigh impossible, except in one or other limited senses. For example, it is possible for a Court to say that if a labourer in grade X receives £3 a week, a labourer in grade Y should receive £3 plus (or minus) some additional amount. But this is not to say that the value of the work of the labourer in grade X is or is not £3 a week. Australian Industrial Courts have estimated the living wage for men, not by reference to the value of the work done by individuals, but by reference to what is necessary for the maintenance of the life

of a home inclusive of the life of the worker. As a woman is not generally the bread-winner, the test of *the needs of the worker* must vary in its application to women and men respectively. Indeed, a failure to recognise the fact would prejudicially affect a large number of women workers (apart from consequences to the community, to which I shall refer later). In the first place, there is a danger lest women, who should be at home engaged in domestic duties, should, from one cause or another, be driven to become the bread-winners of the family in place of the husband. In the second place, since, in ultimate analysis, both profits and wages come out of prices, an attempt to arbitrarily impose all round the same rate of wage for women as for men would probably involve a large charge on the community in the shape of enhanced prices for commodities. Profits might be lessened, but the prices would be increased. The male worker would inevitably share the resulting burden. Men who are at present on bedrock level, and have a family to support, would find the purchasing value of their wages decreased in order to increase the rate of wages of a class of whom the great majority are not the bread-winners of a family. In the third place, the imposition of the same standard of wages for women as for men would work very harshly with respect to a great number of women who would be driven out of employment for which they are admirably, if not pre-eminently suited.

There is, however, at least one case where it may be necessary, or at least expedient, to fix, approximately at least, the same rate for women as for men. I allude to the case where women and men are engaged in the same occupation—an occupation for which men are more fitted than women, or at least equally fitted—and where, if a lower standard of wage were fixed for women, the effect would be to drive out of employment a large number of men. I take it to be one of the primary duties of an Industrial Court to see that its awards both ensure

to men a living wage and, at the same time, afford to them a protection from being competed out of employment by wage-earners at a lower rate, so far as that can be practically done without serious prejudice to the welfare of the community. It follows that in the case of women, as in the case of men, we have to distinguish between the living wage, which is the bedrock below which the Court cannot go, and the minimum wage which is to be applied in some particular industry or calling. For the purpose of the minimum wage, industries may be divided into three classes according as the occupation in question is pre-eminently (1) male, (2) female, or (3) neither male nor female. In (1) the minimum for women should be determined by reference to the minimum for men in the same industry. In (2) the minimum should be based on the *living wage* for women. It may be higher, but not lower. In (3) the principle applicable is not so clear. I think it is wiser to consider each case on its merits. Whilst on the one hand one has to beware of making an award which might lead to deprivation of employment by men, one has also to consider the claims of women to employment—claims which in some cases might be jeopardised if men and women were paid the same wage—and also the claims of the general community, upon whose shoulders the burden of the increased rates of wage is likely, to a large extent, to fall. I think it will be apparent in many cases of ambiguous occupations that the nearest approach to justice which it would be possible for an Industrial Court to attain to would be, after deciding the proper minimum for men, to proceed to determine the minimum for women by reference to the relative value of the work done by men and women respectively—either over the whole of an industry (or calling) or of sections thereof, as the case may be. When this procedure is adopted the need for determining the living wage for women is unlikely to arise. Supposing, for example, that in a particular case it could be shown that on the average the work

of a woman is not of equal value to the work of a man, that, in fact, the ratio is say 4 to 5 in the particular industry or calling under consideration, then four-fifths of the man's minimum wage would not be in excess of what an Industrial Court would be justified in declaring as a living wage for women. It follows that, in the class of cases now under immediate consideration, the evidence required to enable the Court to arrive at a just award would not be what is necessary to maintain a woman in health and efficiency, but evidence of the kind of work done by men and women respectively in the particular industry or calling (or section thereof) and of the relative value of the work to the employer, taking into consideration all the circumstances of the case, such, for example, as the character and quality of the work done, the regularity in the performance of duties, the ability to cope with periods of stress, the adaptability of the worker to varying calls, etc., etc. As it would be impossible to interpret all such circumstances with mathematical exactitude, evidence relating to the customary relative wage would be both relevant and important, though, for obvious reasons, not conclusive.

I have already suggested that in fixing the living wage for women a Court ought to take the case of a woman who maintains herself. There are, as a matter of fact, industries or callings in which the majority of women employed are not in receipt of the living wage in the sense suggested and who, if the ordinary living wage for women were awarded, would stand to lose rather than to gain. I can only say with regard to such cases, that on an application to an Industrial Court to award a wage, it would be proper for the Court to determine whether it was in the interest of the parties and the public that an award should be made. It might well prove, in such a case, that women would prefer, when the issue was plainly put before them, to incur the disadvantages of the prevailing low wage rather than run the risk of unemployment if that low rate

were substantially increased. If such a case should come before me, I should feel it incumbent upon me to place the issues fairly before the applicants so that they could determine the better course to pursue. If they chose not to insist upon an award of the Court, but to remain at the lower wage, or at some compromise between the lower wage and what I should deem a living wage for women, I should need very strong reasons to induce me to interfere. In any case, under Section 21 (i.) of the Industrial Arbitration Act of 1912, the Court has power to dismiss any dispute or matter, or refrain from hearing or from determining a dispute or matter, if it appears that the dispute or matter is trivial, or that, in the public interest, further proceedings by the Court are not necessary or desirable.

On the other hand, if it should become necessary in a case to determine the living wage for women, I feel that the Court ought to exercise its discretion on a conservative basis, and not fix an amount which is above that which is really necessary for purposes already indicated. I might mention several reasons:—(a) The woman worker in the past, in my opinion, has been underpaid. I attribute no blame to employers, for they have been guided by the only available principle—supply and demand. An employer may wish to increase the rate of wage for women, but immediately he would find himself confronted by the difficulty of competing with other employers not similarly minded. Without, however, attributing any blame to employers, I still believe that women, on the average, have been underpaid in the past. To increase their wages to a very great extent would involve a great deal of industrial dislocation. I fear some industrial dislocation must result in any case, but one should endeavour to minimise the dislocation so far as is consistent with the application of sound principles. (b) The problem of domestic service, so essential if Australia is to maintain its rate of population increase, is bound to be prejudicially affected by the award of a higher wage for women than has

hitherto been customary. Even at present there is the utmost difficulty—certainly amongst the working classes and persons of modest incomes—in getting domestic assistance; hence, in part, the growing sterility of the population, which is a most serious menace to the future of Australia. If to-day so many women would rather work in factories at a low wage than go into domestic service, what would happen if the wages for women in factories were doubled? It may be necessary to declare a living wage for women greatly in excess of the customary wage now prevailing. But there are obvious reasons for proceeding with the utmost caution. (c) As wages and profits come out of prices, a substantial increase in the wages bill of the community will come largely out of prices, with the result that the male employees, the bread-winners of the families, will be contributing towards the wage of the women employees who have only themselves to maintain. Of course, I am here speaking with special reference to the *living* as distinct from the *minimum* wage for women. The latter wage, as I have already shown, may at times have to be determined by reference to the minimum wage for men in the same industry or calling.

Postscript: The Present Situation and Outlook.

Unavoidable delays in the publication of the present volume must be my excuse for a postscript. Australia, in common with other countries, is suffering at the present moment from an unusually acute attack of industrial unrest. A few remarks may serve to bring the above chapter up to date. In so far as I venture to speculate on the future, it will be understood that I do so subject to the usual reservation as regards the acts of God and the King's enemies. A single scientific discovery or invention, a catastrophe, a war, pestilence or famine—any of such events may affect the social trend in ways which cannot be predicted or even guessed.

1. The causes of industrial unrest are world-wide. Locally, the most evident cause is the still increas-

ing cost of living. Wages here, as elsewhere, continue on the upgrade. Locally, though the rate of wage necessarily reacts upon the cost of living, a survey of the position from 1914 to date justifies the conclusion that within that period *prices have raised wages to a greater extent than wages have raised prices.*

2. If prices in the world markets should decline, the present tendency to raise the rates of wage may be checked. Even the power to maintain the present rates of wage would appear to be conditional on the assumption of an increasing output, or of such an increase in the Federal tariff as would go far to neutralise in Australia the operation of the causes which may be expected to reduce the cost of living in other countries. On the other hand, if the wages are increased, or even maintained, a failure to raise the tariff would tell for the extinction of many industries, and a drift of a large section of the city employees to the country. However much the last-mentioned result might be theoretically desirable, it seems very doubtful whether any political party would venture upon the policy implied. In other words, the prospect of any material decline in the general level of prices is not promising, while an advance upon the existing wage standards is likely to be conditioned by the extent to which those "complementary agencies of social amelioration," to which I have referred in the above chapter, are actively operative. The ability of Industrial Courts to raise nominal wages may be without practical limit; the ability to raise real wages is not. Industrial Courts have been much criticised; but the criticism, where not inspired by blind or sinister class interest, is very frequently the expression of a pathetic expectation that they could achieve the impossible.

3. The drift of world ideas, the increasing cost of living, and the immense financial burden added by the war, combine to give an impetus to a movement on the part of a very large section of employees towards syndicalistic forms of social

reconstruction. The movement is evidence of a despair of effecting desired changes either by Legislation or by Industrial Courts. The assumption is made that the support of the popular majorities, necessary for radical and enduring social reconstruction, can better be obtained by the methods of force than through the medium of the ballot box. Logically, one would imagine that if the Official Labour Party could capture and hold a popular majority of the electors, force would be unnecessary, whilst if the party could not do this, force would be useless, not to say dangerous. However this may be, the syndicalistic movement at present grows. Assuming for a moment that the movement were successful, Industrial Courts might suffer a period of eclipse, though the period would probably be temporary. The new social order could only endure on condition of a return to the spirit of legality, and to institutions which would be necessary for the expression of that spirit in a world of fallible human beings. In particular, the interests of the consumer, and the need for adjusting the relative claims of employees in different industries, would be outstanding matters for supervision and control on the part of public tribunals.

4. Assuming the syndicalistic movement to be unsuccessful, as, indeed, a calm and comprehensive survey of available material suggests, attacks on Industrial Courts might be expected to follow from the side of the employers. But I incline to think that employers as well as employees would have learned much, and that the immediate objective would not be the abolition of the judicial regulation of industrial conditions, but an improvement in the present machinery, particularly as regards the co-ordination of Federal and State systems, and such amendments of Industrial Legislation as would remove, as far as practicable, those causes of the complaints which are made to-day, either by employers or employees. Co-partnership, or other forms of mutual aid, might multiply; but their activity would be limited to the particular concerns

or industries in which they were established, and, in any case, the outstanding matters referred to in the previous paragraph would call for public supervision and control:

5. Despite the gloom of the present financial outlook, and despite the existing social, political, and industrial unrest, I see no reason for doubting that, so far as concerns any future about which it is worth while at the present moment to speculate, the judicial regulation of industrial conditions, like democracy, has come to stay. Better education, a broader and more sympathetic vision on the part of the electorate, and improved machinery for expressing and for giving effect to the general will, appear to indicate the natural and probable lines of evolution during the period which lies ahead. But, in any case, the path to be trod is not likely to be an easy one, either for Courts or for the community. On the contrary, I am inclined to think that no small part of education in the near future will be in the expensive school of experience. Personally, I deprecate the lock-out and the strike; it is part of my judicial duties to repress or prevent them. But they may have, at a period of rapid transition, a certain educative value both for employers and employed. Only out of bitterness, and the discovery of the ultimate futility of unceasing conflict, will some men learn the elemental truths which condition social progress and enduring social betterment. Upon the long day of the war and its aftermath, the sun threatens to descend in black clouds and darkness. But even so, it will rise again—I hope and believe upon a new and more stable social order. Should this hope prove justified, the work of Industrial Courts is likely to be not less but more responsible, if not more exacting. Alongside of the code of property, contracts and wrongs, possibly transcending that venerable code in importance, will be found a new and more adequate version of those rules of new Industrial Law which to-day are only beginning to take form.

W. JETHRO BROWN.

Adelaide, 29th March, 1919.

CHAPTER VI.

EDUCATION IN AUSTRALIA.

By Professor A. Mackie.

It is impossible within the limits of a short chapter to do more than give in brief outline an account of some of the main features of the educational systems of the Australian States. The historical development of education in Australia is of much interest, but cannot here be dealt with. The structure of the State systems, though similar in character, shows differences that in a fuller treatment would require careful examination. So far no attempt has yet been made at a comparative study of education in Australia. As the development seems to be proceeding along the same lines and the rate of advance is governed mainly by financial ability, and not by differences of public opinion, it will, perhaps be not seriously misleading if only the main features are described and an attempt made to show some of the forces which are shaping the growth of the school systems.

Some provision for school education was made in the earliest days of the settlement in New South Wales. In the instructions to the early Governors there was one which required them when laying out a township to set aside 200 acres for the maintenance of a schoolmaster, but this instruction seems never to have been carried out. Voluntary effort, supplemented by some support from the Government, provided the schools of the early nineteenth century. As population grew, attempts were made to provide for school education by means of Boards or Councils appointed by the Government for the purpose of distributing State funds to schools under Church control. At a later stage, National Councils were charged with the control of

all schools receiving support from the State. In each of the colonies similar attempts were made to provide for public education by means of nominated Councils administering public funds. The attempt has everywhere been abandoned, and all the States have now adopted the same form of administrative structure. The present form of education in the Australian States was fixed by a series of Acts extending from 1872 till 1893. The Victorian Education Act came first, in 1872, Queensland followed in 1875, South Australia in 1878, New South Wales in 1880, Tasmania in 1885, and West Australia in 1893. The main principles of these Acts were the same. All schools receiving support from public funds were transferred to a responsible Minister of State. In every State the public schools are now under the sole direction and control of the Minister for Public Instruction. With hardly any exception, State funds are spent only on public schools. The teachers have become civil servants, and are paid entirely from State funds. The public schools are wholly undenominational. Attendance is compulsory for all children of a certain age range who are not being otherwise educated. Primary schooling at least is free.

The marked similarity in administrative structure is certainly very striking, especially since it departs so widely from that in existence in Great Britain, with its combination of local and central control and support. It seems to show how very homogeneous the Australian colonies were in social experience as well as in population, and how much mutual imitation and rivalry, emphasised by the relative isolation of Australia, have counted for in its social growth. The neighbouring Dominion of New Zealand, it may be interesting to note, has followed the British plan of joint central and local control.

The very centralised character of the public school system in Australia is perhaps its most striking feature. Neither central nor local councils with administrative powers exist in any of the

States. The School Boards provided for in New South Wales by the Act of 1880 possessed no executive powers, and are now completely moribund. They rarely meet and are entirely ignored by the central department, which makes no reference to them in its official reports. Recently, however, there seems to have been a greater stirring of local interest, and in various States there are developing school committees, though these, as a rule, have no statutory position. Victoria, however, is an exception, and has secured for these committees certain definite functions. There have also been established during the past few years various types of advisory councils. Again Victoria seems to have led the way with a General Educational Council established by the Act of 1910. With the development of public high schools and trade schools there has been a growing feeling that the departmental officials required the co-operation of advisory bodies. In New South Wales there has thus been established a Bursary Board, a secondary school examinations board, and various trade committees to advise on the courses of the recently established trade schools.

In other States similar movements are noticeable, and it may be that the extreme centralisation which at present exists will be much modified by the growth and development of these general and special councils.

In each State the great majority of the school population is in attendance at the State schools. For each State nearly the same percentage is in private or non-State schools. For the Commonwealth only one child in every five attends a private school.

During the past ten years it has been clearly recognised by each of the States that public provision should be made for each stage of education. In consequence, the Education Departments no longer concern themselves so exclusively with primary schooling, but have shown much activity in the development of secondary, technical and

University education. It has come to be quite definitely recognised that the duty of a State does not now end with the provision of a bare minimum of schooling.

In some of the States primary education has long been free. In all it is now free. Generally the State high schools, established during recent years, are free, and the present tendency is to extend the principle of free education to the higher levels of education as well.

The public systems of education in the Australian States are secular in the sense that the public schools are not under church control, and that no sectarian or denominational religious instruction may be given by the State teachers. In most of the States, however, facilities are allowed whereby dogmatic instruction may be given in school and during school hours by representatives of any Church which so desires.

The teachers in the public schools are civil servants, with security of tenure, appointed by the Minister or by a Public Service board, and they are paid solely from the State funds.

School buildings are provided and maintained solely from the State revenue. In some States textbooks and other school material are supplied free to the children.

Each State is autonomous as regards the management of public education since this is not one of the powers transferred to the Commonwealth by the Constitution Act. Consequently the Commonwealth Government exercises no control over the State education and provides no financial assistance. Each State may develop its own education system independently. It may be that it would be beneficial were the Commonwealth Government to co-operate with the States, even if only by the establishment of a central office for educational information as in Washington. So far, however, there is no indication that public opinion desires the exercise by the Commonwealth of any educational function.

Yet circumstances have compelled the Commonwealth Government to concern itself in some measure with education. The regulations for the training of junior cadets are drawn up by the Minister for Defence, though the actual training is carried out in the State schools by the regular staff. This scheme of training is bound to have a far-reaching influence on the Australian people; and in this way the Commonwealth Government exercises a very definite influence. The Naval College at Jervis Bay and the Military College at Duntroon are under the control of the Defence Minister, and train officers for the navy and army respectively. A training ship for boys entering the Navy is located in Sydney. The schools in the Federal Capital area are conducted by the New South Wales Education Department, but those in the Northern Territory are administered by the Commonwealth. Beyond this very limited sphere the Commonwealth Government does not at present go.

Some account will now be given of the internal structure of the State school systems. It will, however, be impossible to describe in detail that of each State, and comparison of the systems is at present difficult on account of the different ways in which the official statistics are compiled. At a conference of Directors of Education held in Adelaide in 1916, it was decided that a uniform method of compiling information should be adopted, but this has not yet been fully carried out. The differences which exist among the various school systems are due not to difference of intention or policy, but rather to difference in the amount of public money made available for education in the several States. All are travelling in the same direction, but some are further advanced than others, either generally or in particular respects.

The general direction of the public schools system is in the hands of a responsible Minister of State. An Under-Secretary or Director of Education is the chief professional officer, and upon him the general

management of the whole school system rests. He has charge of both the business and the educational side of the work. For the various divisions of the school system there are usually special officers, and a body of inspectors carries out the supervision of the work of the schools.

The total expenditure on public education in Australia was in 1914 £4,445,922, representing an expenditure of £8 3s. 3d. for each pupil in average attendance. The expenditure of the several States varies rather widely about this average, but the following amounts must be regarded as only approximately correct, since the same items are not included for each of the States. The expenditure per pupil in average attendance is given below:—

New South Wales	£10	1	2
Victoria	7	6	3
Queensland	6	15	9
South Australia.. . . .	6	14	6
Western Australia	8	10	0
Tasmania	5	11	1
Average	£8	3	3

It may be interesting to compare with these figures the expenditure of certain cities in the United States of America. The amounts are for the year 1913-1914:—

Cleveland.. . . .	£12	10	9
Boston	14	3	10
St. Louis	13	3	7
Los Angeles	16	18	7
Washington	13	1	0
Pittsburgh.	14	16	3

The average expenditure of 18 large American cities was £10 4s. 4d. for maintenance and £3 5s. for buildings, a total of £13 9s. 4d. as compared with £10 1s. 2d. in New South Wales.

Of the Australian States New South Wales has the highest expenditure per pupil in average attendance. For 1916 the total expenditure was £9 3s. 1d. per pupil; of this £7 12s. 11d. was spent

in maintenance. Among the cities quoted, Los Angeles ranks first. For 1913-14 the maintenance expenditure per pupil was £13 9s. 11d., the capital expenditure £3 8s. 8d. Thus the total expenditure per pupil was £16 18s. 7d., as against £9 3s. 1d. for New South Wales. The Australian States thus compare badly with progressive cities in U.S.A. New South Wales spends only 54 per cent. per pupil of what Los Angeles finds it advisable to do. But the Australian States are in a worse position than this comparison shows. It is well known that the cost per pupil for a State where population is thinly scattered and there are many small rural schools is relatively greater than where population is concentrated and the economy of large schools is possible. Probably the cost per pupil for Sydney is only about half that for the country districts. Hence if we could compare the expenditure per pupil in Sydney with that in Los Angeles the relative position of Sydney would be worse than that of the whole State.

It is probable that a comparison with progressive European communities would be equally to the disadvantage of Australia. It has been estimated that to put education in Sydney on the level of that in London would require an increase in annual expenditure for Sydney alone of £450,000, while for the whole State the required increase would amount to about £1,500,000. The question thus arises whether the Australian States are to remain content to be so much behind other communities in the provision they make for the educational welfare of the young.

One further comparison may be of interest. In New South Wales £5 17s. 3d. per child is spent on teachers' salaries as compared with £10 10s. 10d. in Los Angeles. This does not, of course, mean that in the American city salaries are nearly double what they are in New South Wales, though they are probably higher. The larger amount spent on salaries is probably mainly explained by the fact that the American teacher is responsible for a

smaller number of children. In the primary schools of Los Angeles the average number of pupils per teacher is 27, and in the secondary schools 18. For Sydney no comparable figures are available, but it may be gathered from the official reports that the number in each case is larger, and in this respect Sydney appears typical of the conditions in the larger cities of the Commonwealth. Now it is perfectly clear that with smaller classes education will be more effective than with larger classes, where less individual attention is possible.

During the past ten years the provision of new buildings has not, as a rule, kept pace with the growth of the school population. No serious attempt has been made to make good the deficiency. The difficulty has been met by increasing the size of classes, by the use of play-sheds as class-rooms, and by the erection of temporary class-rooms, and by curtailing necessary expenditure on painting and repair of existing buildings. These methods are all bad, and in New South Wales the difficulty of providing the necessary accommodation for a growing population has been increased by the recently adopted practice of defraying the cost of buildings and equipment from the annual appropriation, instead of, as formerly, from loans. There is much to be said for defraying the whole cost of both maintenance and supply of schools from annual income provided a sufficient sum is made available by Parliament each year. But this has not been done, and in consequence the position in New South Wales and also in some of the other States is steadily growing worse. If obsolete buildings are to be brought up to date, a sufficient number of new buildings of modern design erected to allow of the necessary reduction in size of classes, and unhealthy temporary class-rooms abolished, it will probably be necessary to have recourse to an education loan.

The failure to provide sufficient money for buildings has made it necessary to build for present needs only, and in consequence a new school is

often unduly crowded soon after its completion. In external design, too, the new buildings compare quite unfavourably with those of earlier date. The magnificent school buildings which are the pride of American and European cities are sadly lacking in New South Wales, where conditions appear worse than in other States.

In every State provision is now made from public funds for each grade of education. As in other countries, the States in the first instance concerned themselves almost wholly with the provision of a bare minimum of schooling, but they have increasingly been giving attention to secondary, technical and professional education. The demand for State secondary education of the high school type has been growing rapidly during the past few years, and it is doubtful if the provision made is at all adequate for those who desire and could derive profit from this form of schooling. Higher or tertiary education has been provided for by the establishment of colleges for trade and industry, agriculture, mining, music and fine arts, and by the partial support of technical colleges and Universities. The completeness of the provision varies much from State to State. Queensland has given special attention to technical education, which is widely distributed. New South Wales has recently established a Conservatorium of Music in Sydney. Victoria has for long had one, in Melbourne. Adelaide has a School of Arts and Crafts, still lacking in the other States. Tasmania has recently appointed a commission to report on a suitable system of technical education.

The primary schools have changed much during recent years. The occupations of the children are more varied, and in general, subject matter and methods of instruction have been made more consonant with the interests of young children. On the whole, the government of the schools seems to have grown milder. Efforts are constantly made to keep the classes in urban centres within reasonable size, but so far with only very partial success, due largely to the dearth of teachers and the insufficient

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supply of class-rooms. The teachers entering the service of the State are much better qualified for their work than formerly. The pupil teacher system has been abolished or modified, and a larger number of teachers have had some secondary training, followed by a professional course at the Teachers' College. But the preparation of the rural school teachers is in most States still far from satisfactory. Provision, though very incomplete, is made for certain types of defective children, but much more attention should be devoted to the needs of these children. In Melbourne a school for feeble-minded children has been in existence for some years, but so far New South Wales has not taken any steps to discover and provide for this form of defect. Recently a truant school has been established in Sydney, and is to have the services of a trained psychologist for the study of the cases admitted. It is to be hoped that this is the beginning of a branch of school inspection quite as necessary as medical inspection.

In the smaller schools the classes are mixed, but in the large city schools boys and girls are taught in separate classes organised in separate departments.

The education of young children has changed during the last few years even more than primary education. School life and occupations are freer and more varied, and formal work is neither begun so early nor given so exclusive attention. The change in outlook was largely due to the example of the free Kindergarten schools, established first in Sydney and later in other capital cities, by the Kindergarten Union. More recently the Montessori movement has strongly influenced the schools. At present only about one-third of the children between five and six years go to school, and very few of those below this age. Thus the main effect of Kindergarten and Montessori ideas has been in modifying the work of the infant school. It is probable that in future the age of compulsory schooling may be raised, and that young children,

instead of attending schools, will spend their time in open-air playgrounds under the direction of trained supervisors. For young children the confinement even of a good infant school is not satisfactory. Better physical growth and probably quite as real mental growth will be secured by means of appropriate playground occupations. When, as seems likely, the legal age is raised beyond fourteen, the urgency of an early start will be less. What evidence is at present available tends to show that normal children do not really suffer by a postponement of formal schooling till an age later than six. Several playgrounds for young children have recently been laid out in Sydney, and are under the direction of a playground supervisor who has had training in the Kindergarten College. To provide these playgrounds a portion of a public park is often used. But the Playground Association has met great opposition from the municipal councils who control the parks and who, in many cases, refuse to allow an enclosure on the ground that the park would no longer be available to the public. The United States in this matter has shown that the best use of open spaces cannot be secured if they are left without equipment, and that for young children an enclosed area is essential.

Greatly increased attention is being given to the physical welfare of the school children. More care and thought are now spent on securing that the school building and its equipment are adapted to the needs of the children. But at the present rate of progress it will take many years to replace obsolete buildings and furniture. Physical training by means of exercises and games is found in all schools, and many infant schools make use of rhythmic games and dances. In order to secure the best results in this direction, a much larger number of specially trained teachers is needed. In each large school there should be at least one teacher with special qualifications for taking charge of the physical education of the children.

Medical inspection of the children was begun by Tasmania in 1906, and has now been developed in each of the States. In some States the school doctors undertake treatment as well as inspection. In New South Wales, in 1916, 76,929 children were medically examined. Of these more than half were suffering from defects sufficiently serious to require notification. Treatment by outside agencies or by officers of the Department was provided for more than half of those with defects sufficiently serious for notification. To provide treatment, New South Wales has now in operation a travelling hospital and a travelling dental and ophthalmic clinic, and it is proposed to develop still further the means of treatment. Further development of this important work is proposed in New South Wales, and in time the other States will have in operation equally comprehensive schemes.

It is becoming more and more usual to look upon secondary schooling as the period succeeding the primary stage and occupying the period from 12 to 18 years. Its main characteristic as compared with the uniformity of the schooling provided during the primary stage is the variety exhibited in type of school and course. In the past, as the legal age for the termination of compulsory schooling was placed at 13 or 14, the period from 12 to 14 was generally included in the primary or elementary stage, and was seldom used to the best advantage. The children during these years too often merely marked time. But it is becoming more and more usual for children to enter the high school or some other type of special school or course before the age of 14. The courses for children between 12 and 15 who do not enter a high school have been variously named, but in all the States they are similar in character. An attempt is made to give the courses a bias towards the type of occupation to which the children will pass. Commercial, industrial, domestic and agricultural courses have been provided in all the States. There is in general, however, a serious leakage through the course. In

New South Wales, for instance, only about 20 per cent. of those entering remain to complete the course.

At present the most typical and the best organised form of secondary education is the high school. A great expansion of the public high school system has taken place throughout Australia, and the demand is still increasing. States formerly without high schools now have them in operation, and where they already existed the number has greatly increased. There were four high schools in New South Wales in 1907; now there are nineteen. The intermediate high schools and the district schools provide for a shortened course, and these latter schools will, in many cases, eventually grow into complete and separate high schools. Roughly speaking, they correspond to the new junior high schools of the United States of America and to the higher grade and higher elementary schools of Scotland and England. The marked increase in the secondary school enrolment has not, it would seem, been at the expense of the private high schools.

These new public high schools were originally organised to provide a four years' course beyond the legal school leaving age of 14. It soon became evident, however, that children fit for high school work could begin before the age of 14, and that there were serious disadvantages in keeping them in the primary school much beyond 12 years. New South Wales has recently definitely recognised this by making the high school course run for five instead of for four years. It is very probable that eventually the course will become a six-year course for the age range 12 to 18, and that the first period will be of four years and the second of two years. Many will continue to leave at 16 after qualifying for the intermediate certificate and before entering on the more specialised work of the last two years. But the abler pupils will remain and at the end of their course will qualify for the leaving certificate.

Considerable progress has been made in devising suitable prevocational courses for those pupils who do not proceed to the high schools. If a variety of

courses is provided the number in each course is likely to be small unless the pupils from several schools are grouped. This is now being done. But a serious difficulty arises, as has been mentioned, from the great leakage towards the end of the course when the pupils have completed the statutory requirements and continued attendance has become voluntary. The older form of evening school merely repeated the work of the primary school. This type has almost ceased to exist, and the evening schools endeavour to continue to a further stage the work of the day school. These continuation schools provide courses of very similar character to the prevocational courses of the day school already mentioned.

The attendance difficulty afflicts these continuation schools as it does the similar day schools. Competent opinion everywhere seems agreed that the present legal age for the termination of school life must be raised, and that some measure of schooling for all boys and girls beyond 14 years is desirable and necessary. It may be whole-day or part-day, but must not be given in the evening after a full working day in workshop or office. The Education Departments of the various States are convinced of the need for this step, but hitherto public opinion has shown little interest in the question, and some of the newspapers have actively opposed the proposal in the interest of the employer for whom it would mean some restriction of cheap labour.

The evening continuation school was based on a fundamentally false assumption. It was assumed that young people under 18 years could be regarded as full-time wage-earners, as complete industrial units. But surely these young people must be considered as primarily learners just as the more fortunate pupils of the high schools are. In this case workshop training and school training must be considered together, and the time spent in both should not exceed a reasonable working day. It is

the duty of the State to safeguard the welfare of the adolescent against both employers and parents, and, if need be, prevent the exploitation of juvenile labour, as it has already done that of child labour. It would probably be economically a sound policy to defer full-time wage earning till after 18 years, and it would certainly be advantageous from a moral and social standpoint.

In view of the fact that apprenticeship does not usually begin till 16 years, the period of whole-day schooling might be at once extended for two years, with part-time day schooling for a further two years. The whole question of apprenticeship and of the relations of workshop and trade school training now requires comprehensive and statesmanlike handling. It is somewhat surprising that the Industrial Courts in fixing awards for apprentices have not made day-time attendance at a suitable trade or technical school a condition of employment. Queensland, which has pursued a most progressive policy in technical education, has recently made a beginning of this kind. In a number of recent industrial awards the attendance of apprentices at technical classes is made compulsory. It is to be hoped that this admirable example will be followed and developed by the other States. Trade classes for apprentices are now in existence in several of the States, and would, no doubt, be effectively organised for all trades if apprentices were required to attend as a condition of employment. The Commonwealth would then cease to be so dependent on other countries for skilled men.

In New South Wales a reorganisation of the classes in the technical colleges was undertaken in 1913. The subjects are now grouped to form trade courses, admission to which is open in general only to persons engaged in the trade for which the course prepares. This change, while somewhat reducing the number in attendance, has very greatly increased the effectiveness of the work done.

As it is difficult in practice to draw the line between primary and secondary schooling, so it is to do so between secondary and tertiary education. It is, perhaps, simplest to regard as tertiary the education provided in colleges and Universities for young people from 18 to 21 years or over. Sometimes, however, the trade schools for those under 18 engaged in wage-earning are regarded as falling within the tertiary rather than the secondary stage. Compared with secondary schooling, the distinguishing character of tertiary training is the specific preparation provided for occupation. But this must not be pressed too far. There has recently been a tendency to look upon tertiary education as exclusively concerned with specific preparation for economic work. But both the actual character of tertiary education in the past and a consideration of its aims and nature are opposed to this too narrowly utilitarian conception. Tertiary education does make specific preparation for livelihood, but it will fail to secure the completest welfare of its students if it devotes attention exclusively to this purpose. There is no justification for neglect of the other interests of life during the period, and the recent development of the educational work of the Workers' Educational Association is a pertinent instance of higher education which does not seek to give specific training for livelihood.

The variety and complexity of the forms of higher and professional education make it impossible to do more than sketch in barest outline what is being done by the several States.

In each State there is now a University. The first to be founded was that of Sydney in 1850, the last that of Queensland in 1911. It is interesting to note that while the three Universities founded between 1850 and 1874 are named from the capital city and not from the State, the three latest foundations of Tasmania, Queensland and West Australia are named from the State, though located in the capital city. Each of the Universities was created by Act of Parliament, and is governed by its own

Council or Senate. The State Departments of Education exercise no control over the Universities, but certain members of the Senate are nominated by Parliament or by the Governor-in-Council. The newer Universities have also provided for the representation on the Council of business and industrial interests. The Degrees of the Universities are recognised as of equal status with those of other Universities in the Empire. The newer Universities of Queensland and Western Australia have most of their chairs in scientific and technical subjects, but they are rapidly approximating in type to the older foundations by extending the provision for humane studies. The Universities vary very much in size, those of Sydney and Melbourne being the largest and that of Tasmania the smallest. The teaching staffs in 1915 included 68 professors and 269 lecturers, and the total student body numbered 4297. This represents less than 1 per cent. of the population.

The University income is derived from private endowments, from fees and from State grants. From State funds their income is £120,000, from fees £70,401, and from other sources (mainly private endowment) £51,805. It thus appears that about half the annual revenue of the Australian Universities comes from the State. Only the three older Universities of Sydney, Melbourne and Adelaide have any considerable endowment fund, which for the three amounts to about £1,000,000. The bulk of this is due to benefactions in earlier days. It is somewhat surprising that private benefactors have in recent years done so little for the Universities of Australia. In this respect they stand in striking contrast with the great endowed institutions of the United States and Canada, and it is a matter of regret that more of the wealth won from exploiting the virgin resources of a new country should not have been devoted to higher education. It may be doubted whether it is altogether well that the highest institution in the State for teaching and research should be so increasingly

dependent on State support for its continued development. In the Australian States, where the Government controls so many of the activities of the community, there seems much in favour of vigorous University activity unhampered by undue dependence on the Government for financial support.

The demand for free education through the whole course of school life has not yet led to the abolition of University fees. But a great step in that direction has been taken by New South Wales. The University Act of 1912 provides for State Exhibitions carrying exemption from payment of tuition fees in the proportion of one for every 500 of the population between the ages of 17 and 20. At present there are 800 of these Exhibitions in operation, held in the various Faculties of the University. It must further be noted that students from the Teachers' College and State school teachers who are qualified to pursue Degree courses are exempted from the payment of fees. Thus for over three-fourths of the student body University education is already free.

A Conservatorium of Music has been in existence for many years in connection with the Universities of Melbourne and Adelaide, and recently one has been established in Sydney under the control of the Minister of Education. Fine Arts and Architecture have not yet received adequate support. Two private Art schools in Sydney receive some support from public funds, but none of the Universities have yet established a chair of Fine Arts. The University of Sydney has now a chair of Architecture, and South Australia has a School of Arts and Crafts supported by public funds.

University extension courses have been given for many years, with varying success. A revival of extension work on somewhat different lines and under the direction of the Workers' Educational Association, gives promise of much greater success. The classes are smaller and possessed of more seriousness of purpose, and the members are

drawn from a section of the community hardly touched by the older form of extension course. The lectures are supplemented by tutorial work, and an effort is made to encourage serious study by means of independent reading, discussion and the writing of essays. So far the movement has been very successful, and appears to be fulfilling its purpose of providing opportunity for higher education of a cultural character to those engaged in industrial occupations. But the director of tutorial classes is faced with the constant difficulty of securing in sufficient numbers tutors competent by scholarship and temperament for this kind of teaching.

In each of the States the Teachers' College is located close to the University, but not under its control. The abler students of the College attend University lectures, and a fair number now proceed to a degree. Several of the Universities have made provision for the study of education, and grant post graduate diplomas.

Technical education, with the exception of the higher professional training provided by the University, has developed mainly under State control, and the tendency at present is for all technical colleges to pass under the control of the State Department of Education. Technical colleges have been established not only in the capital cities but in many of the country towns. Queensland, which has given particular attention to this form of education, has fifteen colleges in operation, and by means of branch classes these colleges extend their influence still more widely. Much of the instruction provided is really of secondary grade in the form of trade schools courses. It is, however, impossible from the data available to make any analysis. As already pointed out, it is now sought to connect as closely as possible the lower technical work of the trade school with the workshop training of the apprentice. The provision for higher technical training is, on the whole,

inadequate, though in certain directions good progress has been made. Provision is made for higher instruction, exclusive of University, particularly in mining, metallurgy, engineering and agriculture. In New South Wales arrangements have been made to secure proper articulation between the trade schools (of which there are ten), the higher courses provided in the technical colleges in Sydney and Newcastle, and the professional courses of the University.

There is thus now in existence, though not yet fully developed, a scheme of industrial education running from the prevocational courses of the last years of the primary school through the trade school to the higher courses of the Technical College and University. A suitable Apprenticeship Act is now necessary to secure that all have the opportunity to take advantage of it.

Educational writers of an earlier day composed treatises on the Education of a Prince. To-day the problem is that of the education of a democracy.* The principles which ought to control such an education are slowly taking a firmer hold on public opinion in the Australian States, and since the beginning of the 19th century good progress has been made in giving them practical embodiment in the school systems. Some of the principles may here be briefly indicated.

In the first place, school occupations, methods of instruction, and form of government must be designed to enable each individual not only to make the best of himself but to fit him for complete citizenship. With an adult suffrage, each is at once ruler and subject, and must be prepared not only for economic but for political and social life. More attention is now being given in the lower schools to training for self-government and to the development of power of self-direction, initiative and co-operation. It is no longer sufficient to train

* e.g., Dewey: "*Education and Democracy*."

merely in habits of docility and obedience. There is a tendency, however, in some quarters to regard the later stages of the education of the rank and file as requiring only a preparation for wage-earning, and to demand an exclusively technical training during the later period of school education.

It has further become generally recognised that it is the business of the State to do more than provide the bare elements of schooling. The principle that for all complete education should be provided is gaining recognition and is finding expression in the demand for free education from the Kindergarten to the University. The progress made towards the realisation of this demand has already been indicated. What is involved in the conception of a complete education is becoming clearer. It must carry the pupil through three distinguishable stages. The primary stage is uniform. Whatever their future, it is now generally agreed that school training up to twelve years should be the same for all normal children. During the next stage aptitude and type of occupation should mainly determine the form of schooling suited to the pupil, and hence it has become necessary to provide a variety of schools and courses for this stage. There is a serious leakage during this period of schooling, and much of its value is lost because the pupils leave before the completion of the course on which they have entered. The reasons for this are complex. The pupils leave partly because parents cannot afford a longer schooling, but mainly because the existing forms of secondary schooling have appealed to a small proportion only of the children. The economic handicap cannot immediately be removed, and voluntary continuation schools held after work hours may have to be continued. But those who have given careful attention to the question of social welfare are of opinion that a modern industrial society ought not to find it necessary to exploit the wage-earning capacity of its young people. If

suitable forms of schooling were provided, it is probable that the great majority of young people could profitably continue day school attendance for whole or part time up to 17 or 18 years.

The third stage of technical, professional, and higher general education presents still more diversity than does the secondary stage. We are now in the sphere of specific preparation for occupation, but it would be a mistake to regard this period of schooling as having no other aims. Few at present are able to give their whole time, and for the great majority opportunity is entirely lacking. There is needed not only an extension of facilities for technical education on which but a shilling a head is spent as compared with fourteen shillings per head for primary education. Even more necessary for the great majority is suitable provision for cultural education. The courses provided by the Workers' Educational Association form a slight beginning. The people's schools of Denmark and the recently started Rural Life Movement in the United States of America are useful examples showing what may be done in the way of higher education in rural communities.

Primary education has long been compulsory in Australia. Secondary education seems likely to become so in the near future, partly by a raising of the legal age for whole-time schooling and partly by requiring part-time attendance at a trade school by all young people under 18 years. It may be that eventually it will be found in the best interests of both individual and community for the State to require from all some measure of higher technical and general education.

The changes which have taken place in the curriculum of the primary school in particular have been due to the varying emphasis laid on two principles. The purpose of the school is held to be primarily the preparation of the young for adult life, and the curriculum must be so shaped as to secure this. On the other hand, the period of school life is held to have its own value, and the

best preparation for adult life is to have spent a satisfactory childhood. School occupations must be chosen with regard to the tastes and inclinations of the young, but it is maintained that these tastes and inclinations are driving the children to master the experience and practice of the adult members of the community.

A school system, however admirably designed and administered, must be staffed by well-trained and competent teachers if the best results are to be secured. The pupil teacher system as a means of recruiting the teaching service has—except in Queensland—been either superseded or much modified. In most of the States, except for those going to rural schools, some secondary schooling is demanded before teaching is begun. But nowhere is the full high school course required on the part of all the entrants, and it would appear that a not inconsiderable number of rural school teachers enter with attainments not really above that given by a primary course of eight years. In several of the States there is interposed a period of apprenticeship between the general high school course and the college professional course. In each of the States a college for teachers has been established in close proximity to the University, and the attendance of the students at University courses is increasing. Courses of various length from six months to four years are offered, and training is provided for urban and rural schools, and for infant, primary and secondary teaching. The accommodation in most of the colleges is quite insufficient to provide a satisfactory course of training for the requirements of an expanding service. The conditions are least satisfactory in New South Wales. Since the reorganisation of the scheme of training in 1905, the Teachers' College has been forced to carry on its work in an unsuitable building in one of the worst slums of Sydney.

In New South Wales the changes in the scheme of training are probably more radical than in other States, but as these seem to be gradually moving

in the same direction, the New South Wales arrangements may be briefly outlined. All young teachers must pass through the college before entering on the work of teaching. For admission to the longer courses there is required a leaving certificate representing at least four years' high school work; for the short course of six months which prepares teachers for the rural schools, an attempt is being made to require at least two years of high school preparation, but many are still admitted at a standard not really beyond that of an eight year primary course. No period of apprentice teaching is now required before admission. Those students who come from high schools have been able to give uninterrupted attention to their general education.

Two distinct types of course are provided—longer courses of two or more years, and a short course of six months. The latter course was introduced in 1911 in order to provide some training for the rural teacher in one-teacher schools who previously had received no systematic training. Though an improvement on previously existing conditions, it is far from satisfactory, and the position is still more serious when it is considered that out of every ten teachers appointed from the college seven have had this meagre preparation for the important work of teaching in the rural schools. The Australian States are proud of bringing education within reach of the remotest and most sparsely settled districts, but it is too often forgotten that these rural schools really require even better educated and better qualified teachers than the town and village schools.

An increasing number of the long course students now enter on University courses leading to a Degree in Arts or in Science. For these the professional training is now deferred, and is taken during a final year unhampered by University work. The professional courses of the College are designed to prepare for infant, primary and secondary teaching. Those preparing for secondary teaching take, as a

rule, the University courses qualifying for the post graduate diploma in education. When they leave college the students are appointed for a period of probation, at the end of which, if satisfactory, a certificate is issued by the Department. Progress thereafter depends on passing the examinations necessary for the higher certificate and on their success in teaching and length of service.

Each of the States has devised a somewhat intricate system of classification, based on professional and general qualifications, teaching competence, length of service, and type of school. The salary scales are adjusted to this classification. It is doubtful if the practice of requiring teachers to sit for formal examination beyond the college period achieves results of much value. The real culture of the teacher could probably be better estimated in other ways. What seems urgently needed are greater facilities for refresher courses. A few such courses are held during the summer vacation. Victoria seems to have been specially successful in their organisation. The more ambitious teachers attend evening courses at the Technical College or University.

For New South Wales the minimum salary for adult teachers is now £132, and it is proposed to raise this to £156. But even more urgent at present is the need of better payment for the middle and upper grades of teachers, especially for those who have served as competent teachers for many years but have no hope of promotion to headships. New South Wales has recently passed a Superannuation Act, which did not, however, come into operation till the conclusion of the war.

The ratio of men to women teachers has been steadily changing, and now in all States the women teachers outnumber the men. In 1914 the total number of teachers in the State services was 21,467; of these 40 per cent. were men.

The Education Department of each State prepares detailed courses of study for each type of school, and the teachers throughout the State are required

to carry out the courses as prescribed. The guidance which these syllabuses afford is, no doubt, of considerable advantage, but as the standard of training rises it would be advisable to allow teachers to make their own courses and to adapt these to the requirements of the locality, the interests of the pupils, and the tastes of the teacher. If some measure of freedom were allowed, initiative and experiment would be encouraged and a sounder professional spirit developed.

School examinations at the end of each stage of schooling and suited to each type of school have been developed in recent years. In New South Wales these are known as the qualifying examination at the end of the primary course; the intermediate taken about 15 or 16, and the leaving examination at the end of the full high school course. In some States the examinations are conducted by the University, but in New South Wales the University Public Examinations have been largely replaced by a State examination conducted by a board of examiners on which are representatives of the University. An attempt has been made to prevent these examinations from dominating unduly the work of the schools. The result desired would probably be more assured if practising teachers were appointed to the committees which draw up the syllabuses and prepare the examination papers. It is difficult for those not actually in touch with school pupils to gauge accurately their capacity and limitations.

In each of the States provision is made from the public funds for a system of bursaries, tenable at the secondary schools and the University. In 1916 New South Wales devoted over £40,000 to this purpose, an amount representing over 2 per cent. of the expenditure of the Education Department.

The teaching staff in the primary and secondary schools is under the immediate direction and supervision of a chief inspector and a body of district inspectors and supervisors of special subjects. After much hesitation, New South Wales

and South Australia have each appointed a woman inspector for infant schools. In the past appointment to the inspectorate has been almost exclusively from the ranks of the older headmasters of the large schools. This practice in part accounts for the marked conservatism which characterised public education in the Australian States. Ministers of Education and members of Parliament are still fond of asserting that the system of education in their States is the best in the world, but the higher executive officers and many of the inspectors are well aware of defects to be remedied, as may readily be seen from the annual reports submitted to Parliament. In New South Wales it has now become the practice to make a proportion of the inspectorial appointments from among the younger men in the service who have shown high academic ability, teaching competence and knowledge of educational theory and administration. Methods of inspection have also undergone considerable change, but it is by no means certain that a complete formal inspection of a school each year is the best means of maintaining efficiency and securing progress. The larger schools might well be left more to the headmasters, with informal visits from time to time and a full inspection every few years. The annual inspection of the rural schools requires to be supplemented by schools of instruction for the teachers of a district. As has been pointed out, the rural teacher has had little training and has but slight opportunity for professional growth. The district inspector should be allowed more frequently to close the schools of a district and conduct an intensive course for the teachers.

Although the greater part of primary and a good deal of secondary schooling is now provided at public cost, private effort is still active in the maintenance of both primary and secondary schools. Throughout the Australian States about 20 per cent. of the children of statutory school age are in schools other than State schools. The majority of these schools are under the control of

the churches or are proprietary schools. The proportion of pupils of secondary age in schools other than public schools is considerable, but no figures are available for determining this. In each State there exist secondary schools of high standing and with a long and honourable history. In New South Wales the King's School at Parramatta was founded in 1831, and the Sydney Grammar School in 1857.

In Queensland there has been for many years a number of grammar schools under boards of trustees appointed by the Governor and receiving an annual subsidy from public funds. A good instance of the centralising tendency in Australian education may be found in the proposal now made by the Queensland Minister for Education that these schools should pass entirely under the control of the State Department. In New South Wales only the Grammar School is under trustees publicly appointed, and it, too, receives State assistance, but is free from State control. Other secondary schools are either private venture schools or are under the control of trustees appointed by the Churches which support them. The educational policy of the Australian States makes it impossible for either of these types of school to receive public financial support. A Kindergarten Union was founded in Sydney in 1895, and has trained teachers and established free Kindergartens in the poorer quarters of the city. It receives a State subsidy for the support of this work.

Although there are many schools not supported by the State, the opinion has been growing that they should be under some measure of State control. It is not desired to make them uniform in character with the State schools, but to secure that they do not fall below the State schools in efficiency. Victoria was the first State to take the step in 1905 of inspecting and registering all non-State schools. In 1910 the work of registration was handed over to the Council of Education. The Bursary Endowment Act of 1912 required the registration of all

those non-State schools in New South Wales which desired to compete for the new State bursaries. The Truancy Act of 1916 requires the registration of all private primary schools. It is certainly desirable that the State should refuse to allow schools to be opened unless the school buildings meet reasonable requirements, the teachers possess qualifications at least as good as those demanded from State teachers, and the quality of the instruction is equal to that given in State schools. This would leave a large measure of freedom for useful variety and experiment.

From time to time the demand is made for State support for schools under Church control. The present policy is entirely opposed, however, to the granting of support to schools not under public control, and there seems no likelihood of a change of opinion.

The fear has been expressed that with the extension of the State system private schools, especially those of secondary grade, will tend to disappear. This appears unlikely, and would certainly be undesirable. Where education is so centralised, as in the Australian States, there is a danger of conservatism, and schools not bound to follow a prescribed course provide for variety and experiment. But if these schools are to fulfil this purpose—or, indeed, any useful purpose in the national system—they must secure the services of first-rate teachers, and must aim at a higher standard in building and equipment than the State provides. Few schools can do this if their sole income is from fees. Their resources must be supplemented by State subsidies or by private endowments. It is to be hoped that educational endowments will be forthcoming from public-spirited men in Australia as they have been in other countries.

There are undoubted advantages in the administration of public education by a State department without the co-operation of county and district councils. School facilities are probably more uniformly distributed throughout the State. It is

unlikely that under local control education in the more thinly peopled parts would have been as well cared for. In the United States of America education in rural districts is markedly inferior both in quality and quantity as compared with urban centres. There is greater equality of educational opportunity in the different parts of an Australian State. This opinion is confirmed by the higher cost of rural education. In some of the Australian States education in the rural schools costs about twice as much per child as in the town schools. Changes in the design of school buildings, in equipment, curriculum and method can be more rapidly carried out when once determined on by the central authority, since there are no local councils to be coerced or persuaded. The adaptability of the teaching staff alone limits the spread of new subjects and methods, and this can be in great part secured by special courses of instruction. The teachers are State servants, and may be appointed anywhere and transferred from district to district as may be necessary. The best teachers do not settle in the large towns. All teachers are required for a time to teach in country schools. This plan is in marked contrast to the condition of things in England and America, where the higher salaries and greater attractiveness of the town schools secure for these the best of the students from the Teachers' Colleges. In Australia this is impossible, though it is true that teachers with shorter training and poorer general education are still provided for the smallest rural schools.

On the other hand, there is a distinct loss in public interest, since the local communities are given no share in school administration. It is probably for this reason that public opinion on educational questions is almost non-existent. The lively interest and keen pride in their schools shown by American cities and country districts is quite absent in the Australian States. And such interest and pride are a loss to both schools and community. A progressive town or district cannot provide for

its children a better education. It must wait till the central department makes a general forward move. This absence of local rivalry is to some extent replaced by State rivalry. A change which has proved successful in one State generally spreads to the others. But an undesirable uniformity is apt to be fostered, and the few opportunities allowed to teachers and officials for travel abroad accentuates this tendency. New South Wales and Victoria have recently made some provision by means of travelling scholarships to secure a broader outlook, but much more needs to be done. It is especially desirable that the staff of the Teachers' Colleges should have studied abroad and have seen something of European and American civilisation.

Public opinion on education is neither energetic nor well informed. During the period of the war opinion in England was very strongly aroused on the need for changes in the school system. In Australia nothing of the sort has occurred. The public are satisfied with the frequently expressed opinion of Ministers of Education that the school system is the best in the world. The reconstruction of the past ten years has been mainly due to the initiative and energy of far-seeing Directors of Education, and their task has been the harder since they have not been able to rely on the support of an energetic public opinion. Teachers' associations have done useful work, and have in the main strongly supported the progressive policy of the Director of Education. As is natural, however, they occupy themselves mainly with matters of detailed administration and with questions of salary and status rather than with broad questions of policy. The newspapers give little attention to educational matters, and Parliamentary discussion reflects the lethargy of public opinion.

There are few educational magazines published. The various State Departments issue monthly gazettes, but these are hardly more than means of

conveying instructions to teachers. A Kindergarten magazine has been published in Sydney for some years, and recently a new periodical has been started with the co-operation of the heads of the State Teachers' Colleges, and it is hoped that it will provide a means for forming and expressing professional opinion.

It is not possible within the limits of this chapter to deal with certain other institutions which have a close connection with education. Public libraries, museums and picture galleries are established in all the States, but have not been brought into sufficiently intimate relation with school education. Their usefulness would be much extended if there were more active co-operation between them and the schools. The public parks could also be rendered much more useful if their resources were developed on the lines advocated by the Playground Association of America. Schools of Arts have for long been in existence throughout Australia, but though in New South Wales they receive a State subsidy, they are mainly recreative clubs.

From the foregoing sketch it will be seen that the purpose of the State systems of education is to provide a complete and articulated scheme of democratic education. More and more it is becoming possible for each individual to carry his education as far as his capacity will allow. After the uniform primary stage is passed there is provided a variety of paths suited to varying capacity and interests. Too many still drop out before education is as complete as it might be, but changes appear to be imminent which will render yet more adequate the opportunity for equality and completeness of education. Public opinion has not yet sufficiently realised that a cheap schooling is poor public economy. The official reports of the State Departments show that the Directors of Education are fully aware of what is needed in the way of providing better trained teachers, especially for the rural schools, better accommodation and

equipment, better and more varied provision for secondary and trade education. London can afford to spend 23s. 6d. per head of population on education, and surely the Australian States can afford to do as much for their children. But New South Wales, where the expenditure is highest, spends only 18s. per head. If the Australian States are to care for their young members to the extent now done by progressive communities elsewhere, they must face a considerably increased expenditure per head of the population.

CHAPTER VII.

WOMEN IN AUSTRALIA.

By Mrs. Francis Anderson.

Australian women were late in stepping into the ranks of advance. Communication with the home-land was slow and expensive in mid-Victorian days, and in 1848, when in London, Queen's College was opened for the better instruction of teachers in girls' schools, Australian women were content to accept the little that was offered to them as education. They knew of nothing better. In wide spaces, under clear skies, far from the turmoil of cities, they bore large families, and developed in themselves and their children that freedom from convention, that practical deftness and resource which still distinguishes the Australian—a habit and a manner which make us different from those who spend their childhood within the encompassing narrowness of walls.

The English woman who "had seen better days," and the poor gentleman whose education had taught him everything except how to earn a living, were much in demand in those days. As governess and tutor, they carried an example of delicacy and refinement into country homes which otherwise might have known only roughness, and their influence remains to this day in many a country town.

The first woman who attempted private teaching in Australia was Mrs. Chapman. She came out to the struggling settlement to be a governess in 1806, and was given a free passage, "as there was no doubt that benefit would accrue to the Settlement from the residence of such a highly respectable person." But the fate which awaited all highly respectable women in the Australia of that

time befell Mrs. Chapman. Someone married her. She was the forerunner of many. Sometimes the gentle daughter of a country curate would find her adopted home too rough for sustained endurance, and would come back to the newly-born city of Sydney and open a school. The Australian Government schools—National, as they were called before the passing of Sir Henry Parkes' Act—served, of necessity, scholars of the lowest class, and very few girl children of the better sort attended them. The private school flourished, though it remained for years the "Ladies' Seminary" of early Victorian days. Reform in education reached Australian private schools at length, and examinations, registration, and a desire for higher education have done their work. Melbourne was for a time ahead of Sydney in this particular, but every country town and city now possesses excellent opportunity for education. No woman teacher in a private school now works all day, as once she did, for £20 or £30 a year. Employment under the several Departments of Education is not in any State very highly paid; the teacher is cheap everywhere, but it can nearly always be obtained by competent persons, and only the incompetent or idle need accept a pittance.

Our first step towards freedom of utterance, and better education, was made in the Literary Societies which were founded in the cities. They were small associations of the few women who loved literature and wished to know more of it. They could only be small, for the great majority had little taste for learning. Their fathers and mothers had nearly all emigrated to make money or to gain a higher social position for their children, and a greater opportunity. No sluggard, no coward, and very few students came willingly to Australia in the early days, but many dissatisfied with the conditions of the home they still loved, in spite of discontent. The chartist, the radical, the agitator found here an easier field, and the thoughts and

hopes of our fathers are with us still. Even the poets and writers we have produced are seldom the children of inherited habit or tradition, as in an older country. They are a spontaneous growth, products of the vastness and beauty of a broad, free land.

The first step towards the higher education of women was actually taken by those far-seeing men who, in 1851, founded the University of Sydney and declared in the Act of Incorporation that its education was to be offered to all classes of Her Majesty's subjects "without any distinction whatsoever." The general attitude towards the subject of the education of the woman of that time may be estimated by the fact that in the opinion of the Senate of the University this comprehensive declaration did not apply to women, and that no woman attempted to question the opinion.

But echoes from the homeland did occasionally cross the sea, and in 1878 Sir William Manning, Chief Justice of New South Wales, and Chancellor of the University, began to consider that women ought to be allowed to attend classes and take Degrees. In three annual addresses he spoke on the subject, while during the months between he tried to convert a conservative Senate to his opinion, and at length, in 1881, the motion that women should be admitted to the University on the same terms as men, was carried unanimously. But Sydney remained true to its traditions for many years, and as late as 1898, when, a demonstrator being absent from the Chemical Laboratory, the Professor recommended that a distinguished woman graduate should be appointed temporarily, the then Chancellor agreed somewhat unwillingly, and said that "a precedent was not thereby made in favour of a woman." Time, the great leveller, is, however, wearing down prejudice, and women are now sometimes appointed on their merits to positions which once were closed to them.

When classes at Sydney University were declared open to women, they did not enter in large numbers. Every teacher in the public schools of the colony had then to begin as a pupil teacher; a degree was, therefore, impossible for them, and private schools did not desire teachers so qualified. All this was changed many years ago, and hundreds of women now attend classes and take Degrees. This year—1919—there are 699 women students at the Sydney University, who are distributed as follows:—Arts Course, 278; Economics, 32; Medicine, 93; Massage, 96; Pharmacy, 21; Science, 97; Agricultural Science, 5; Dentistry, 2; Law, 3; Education, 51; Architecture, 8; Japanese, 2; and there are several Research Scholars. Of these students 133 are unmatriculated. Sydney now employs 6 women as lecturers and demonstrators.

For many years the women students, though admitted to classes on equal terms with men, were even more poorly accommodated outside the classrooms. Despite magnificent bequests, the University always needed all its money for purposes more urgent than the comfort of its students. This defect has lately been remedied, and a fine building—Manning House—now recalls to memory the woman's Chancellor, and provides beautifully and conveniently for women students. As 48 of the number mentioned above are evening students, Manning House is open from morning to night.

Melbourne was in advance of Sydney, and slightly in advance of Adelaide, in its offer of University education to women. They were not admitted from the beginning, as in Brisbane, founded many years later; but all courses, except medicine, were opened to them in 1879. This was largely due to the efforts of C. H. Pearson, a scholarly Englishman, who was for many years a member of the Victorian Parliament, and for some time Minister for Education. The door to Medicine was opened to them in 1887. There are this year 417 women attending classes in Melbourne University. Eighteen

are employed as lecturers or in laboratory work. One woman, Dr. Georgina Sweet, was appointed Acting-Professor during the absence of Professor Sir Baldwin Spencer.

The University of Queensland, founded considerably later than those in the older States, began to admit women at once. It has now 78 women students—59 in Arts, 19 in Science.

In each of the States, University women are at work as inspectors, heads of scientific experimental work, lecturers, teachers and coaches. A few are lawyers, and three have been appointed judges' associates; but the woman lawyer cannot generally command an assured position in Australia, and despite occasional assertions and demands, it cannot be said that the majority of women desire at present to employ a lawyer of their own sex.

The case for Medicine is very different. Medical women practise in each of the capitals, and many of them enjoy a position equal with their brothers. Hospital arrangements in Melbourne and Adelaide have encouraged medical women. In Sydney no woman could, until very lately, hope to obtain an appointment in a general hospital, though in the opinion of our most experienced nurses provision should be made, so that a woman patient might be attended by one of her own sex if she so preferred. The war, in taking from us many of our best men, is helping to modify prejudice; but it dies hard.

In Sydney, as in Brisbane, there is a Women's College. That in Sydney was opened in 1894, and Miss Macdonald, its first Principal, who still holds the position, said on the opening day: "In point of view of dignity, we stand, I think, alone in the British Empire as the only Women's College fully affiliated to a University." The college building became, some years ago, too small for the number of students who applied for residence, and an annexe was built. Forty-five students are now

in residence, and there is a long waiting list. Melbourne has had since 1886, in Trinity Hostel, a home for University students. Built largely by the beneficence of Janet Lady Clarke, it is connected with Trinity College, which belongs to the Church of England, and it is not affiliated to the University. A strong committee has lately been formed to found a Women's College in Melbourne with a definite University status. Brisbane began its Women's College very soon after the founding of its University. It differs somewhat from that of Sydney, in that the supporting grant from the Government of the State is given under conditions as to the training of students to be employed in the schools of the State. It is as yet in temporary buildings, which are too small, and it is, therefore, like the two other Australian colleges for women, obliged to refuse some applications.

There are Women's Hospitals in each of the Australian capitals. Sydney has four, and in each women are employed. Melbourne enjoys the reputation for possessing in the Queen Victoria Hospital for Women—which is a public hospital as well as a training school for nurses—the only establishment of its kind in the Southern Hemisphere. It was founded by women doctors twenty years ago, and is entirely officered by women. In each of the States there are Children's Hospitals, and these also employ women as well as men.

The women doctors of Melbourne some time ago began an inquiry into the question of how far the health of women graduates suffered as compared with that of their sisters or cousins who did not follow any University course. It was a difficult investigation, and the outbreak of war interfered with its conclusion; but so far as it went, the statistics of marriage, average health, and number of children, living or dead, were not unfavourable to graduates.

Woman Suffrage in Australia.

Victoria, though not the first Australian colony to enfranchise its women, was the first into whose Parliament the question was introduced. In 1868, John Stuart Mill wrote to Sir Alexander Michie to congratulate him and Victoria on the fact that "for the first time a colony has outstripped the mother country in advocating improved principles of legislation." This congratulation referred to a debate in Parliament, but it was premature. It was, however, the beginning. In 1873 an amendment advocating woman suffrage was carried in the Victorian Legislative Council by two votes, and again there was no further result. Except for the quiet persistence of a few ardent spirits—notably Mrs. Dugdale and Mrs. Bear Crawford—the question was then practically forgotten until 1884, when the Woman's Suffrage Society was formed. Other associations with the same object soon followed, and worked to educate the public.

In 1891, Mr. James Munro, then Premier, introduced a Bill, without any success. In 1894, the three associations united to form a council, in order to do active work in the elections soon to take place, and in 1895 the Acting-Governor's speech included "one adult one vote" as part of the programme for the Session. The measure was introduced as part of the Plural Voting Abolition Bill. The Labour members—then, as for many years in Australian Parliaments, an advanced portion of the Radical Party, rather than a separate and organised body—were in favour of the woman's vote, but were afraid to hinder that portion of the Bill which they thought more important by advocating it. The Bill was, however, passed by the Assembly, but the woman's clause was lost in the Council.

In 1898, at the time of the sitting of the Federal Convention in Melbourne, a very large public meeting was held to advocate woman suffrage. The Victorian Attorney-General was in the chair,

and Dr. Cockburn and Mr. Holder, representatives from South Australia, where women had the vote, were speakers. Dr. Cockburn declared that "the whole sphere of politics in S.A. had been raised by the advent of the women," and Mr. Holder said that the vote had had a good effect on the women of S.A. by "enlarging their sense of responsibility and by inducing a marked change in the attitude of the Parliament of S.A. to all questions dealing with the interests of women and children."

After this it was only to be expected that the opinion of Victorian politicians would change, and very soon the Premier, Sir George Turner, promised the women to introduce a Bill to secure to them the vote. A vain promise! Sir George did his part, but for the third time the elective Upper House rejected the Bill. The history of the attempts to obtain the reform in Victoria, where, as in the other colonies, opponents were few and the great majority indifferent, is a history of the determined resistance of a small number of obstinate men who were willing to use any means rather than to allow their unreasoning opposition to be defeated. The Upper House of Victoria fourteen times rejected a Woman Suffrage Bill which had been easily passed in the Legislative Assembly, and the women of that State did not vote in a State election until after they had voted in the first Federal election in 1903.

The second debate in an Australian Parliament on the woman's right to vote took place in 1885, when Dr. Stirling introduced into the Legislative Council of South Australia a Bill, which declared as an abstract proposition that "women, like men, should be permitted to exercise the franchise." At this time the people of S.A. had made no move in the matter, though it had been discussed in New Zealand in 1878.

Dr. Stirling's motion was carried without a division, and thus encouraged, he soon introduced another Bill to give effect to his theory. This

second Bill proposed to give the vote to spinsters and widows of property, but not to married women. The concession to wealth aroused the enmity of the Labour Party, and they strongly opposed the Bill, which was lost. During the next year—1886—a Woman's Social Purity Society was formed in Adelaide, and its members, believing that their power would be greatly enhanced by the possession of the vote, formed a Woman Suffrage League, and began to make the question a living one in South Australia. In 1889, Mr. Caldwell introduced a Woman Suffrage Bill, which was lost. The next year the Bill was again introduced, carried through the third reading, but rejected by the Upper House. In 1891, at a citizen's meeting called in Adelaide to discuss the evils of sweating, it was decided that little could be done without a Woman's Union and the vote. A Woman's Trade Union was formed at once. This union worked hard to return Labour members to Parliament, and in 1892, believing that it would succeed, Mr. Warren introduced a Bill, in which he proposed to give women of property votes for the Legislative Council, of which he was a member. The Labour members supported this Bill, although they disliked the property qualification, because they hoped to alter it in Committee. But when the mover saw what was about to happen, he abandoned the business, and for some little time the question remained in abeyance. Then the Government took up the matter and proposed to submit the question to a referendum. This proposal met with little favour, and was lost.

In 1894, after an election in which the friends of the cause had made strenuous efforts to get their advocates returned, the Bill which enfranchised the women of South Australia was passed. It received the Queen's assent in 1895, and the women of the colony voted, not in hundreds, but in thousands—quiet and enthusiastic thousands—on 25th May, 1896, the first women to vote in Australia.

In the mother colony (N.S.W.) no public movement to obtain the vote for women was made until

1891. For some time before that year the Women's Christian Temperance Union had been quietly discussing the matter, and two women—Mrs. Gale and Mrs. Lawson (owner of the "*Dawn*," a woman's paper)—had occasionally advocated making an effort to obtain it, but with no perceptible effect. In March, 1891, a few women—eight only—met in a private house and decided to form a Woman Suffrage League and to begin active work. They were encouraged by the avowed sympathy of Sir Henry Parkes, who in July of the same year brought forward a direct motion to test the opinion of Parliament. The fate of this motion may serve as a sample of the way in which the question was evaded for years in every Australian Parliament. Out of 141 members, only 91 voted, and the motion was lost by 57 to 34.

In October of the same year, Sir George Dibbs introduced an Electoral Bill, and Sir Henry Parkes attempted to obtain the omission from it of the word "male." This alteration was not accepted. The Bill provided for "one man one vote," and, as in the other colonies, friends of this provision feared to endanger it by asking for any further innovation. In the same year the Labour Electoral League was asked to make woman suffrage a "plank" in its platform, but the Committee declined to do so until the passing of the Electoral Bill had made every man's position secure.

In 1893 Mr. Rae took up the question, and gave notice of motion, but was crowded out, and in 1894 Mr. Dowell O'Reilly introduced a Bill, which was carried in the Assembly—89 for, 36 against. The tone of the debate on this Bill showed a marked improvement on those of former years. There was less empty ridicule, and more calm reasoning, and hope began to kindle in the breasts of the women's advocates. But the measure, like many which followed it, was lost in the Upper House, then, as for many years, a stronghold of Conservatism.

During these years the Suffrage League worked hard. It was never a very large body, and it had to encounter not only direct opposition, but indifference, and even ridicule, from women as well as men. But its members never allowed themselves to be disheartened, and never descended to words or methods which they might afterwards regret. Deputations waited on every Premier. Before every election each candidate was asked, often verbally, always by circular, to state his intention if a Bill should be introduced; meetings were held, and branches formed in many electorates, and debates were carried on wherever a few adventurous young men could be found to meet the practised women debaters, who never once failed to carry their side of the question. It was a busy time, for the speakers were few and were for the most part women who worked all day to earn their living. But our triumph was still far off.

In 1895, Mr. Willis proposed to introduce a Bill, as a private member, and a deputation asked the Premier, Mr. (late Sir George) Reid, to allow him to do so. But the Premier declared that there was no precedent for that course, and the Bill was declared out of order. Mr. Reid soon after left for England, and a deputation waited on Mr. Brunker, Acting-Premier. He promised to consult his colleagues, but nothing came of the consultation. In the same year the Political Labour League was again appealed to, and asked to make woman suffrage a "plank," and in 1896 this request was granted, and from that time Labour joined with woman to obtain her enfranchisement.

The Federal Convention took place about that time, and Mr. Brunker took charge of a petition for the women of New South Wales. We had sent out circulars to all members, and again our hopes ran high. We knew that Sir John Cockburn (S.A.), Sir John Quick (Victoria), and others like them were in favour of the reform, and we had confidence in them. Our confidence was not misplaced. It was

really to them, and to their work in the Convention, that we owe the measure for "uniform franchise," which eventually became a provision in the Federal Bill, and which ultimately forced the minds and the hands of the several State Parliaments.

But there was still work to be done in those Parliaments and among the people, who remained indifferent. Rich women in New South Wales were roused in 1898 when the Reid Government passed a Land Tax Bill, and, by its action, many women who owned land were at last forced to recognise the injustice of taxation without representation. They protested formally, and the Premier courteously acknowledged that their protest was reasonable. That was all! In this year, Mr. Fegan, who, in 1897, had brought in a Bill, which did not reach its second reading, called a meeting at Parliament House, so that members and advocates of woman suffrage might meet and arrange for another deputation. This deputation extracted a promise from Mr. Reid that after the election, then approaching, the question should be made a Government measure. Mr. Reid was returned by a large majority, but when the Government programme appeared there was no mention of the woman's vote. Thereupon Mr. Fegan again brought in a Bill, but it was crowded out by Government business.

The Woman Suffrage League, then growing desperate, asked that, as the women of South Australia, by this time enfranchised, would be able to vote in the Federal Referendum, soon to take place, they also might be allowed to record their opinions on the proposed Federation.

The Premier listened to this demand with some sympathy, but pointed out that, as rolls would have to be prepared for such a vote, the time necessary, and the expense, made it impossible for him to grant the request. But, as a consolation, he held out a hope that a Minister of the Crown would soon bring in a Suffrage Bill. This was again an empty promise. No Bill appeared. Mr. Reid was

soon after thrown out of office, and Mr. (afterwards Sir William) Lyne became Premier. Again our staunch friend, Mr. Fegan, took charge of a Bill—December, 1899—but the Session was late, and again it was crowded out. However, we knew by that time that the clause granting woman franchise was embodied in the Federal Bill, and would, therefore, become part of the Federal Constitution, and that the matter could not be long delayed.

In 1900, the Labour Party took up the matter, and sent a deputation to the Premier, and on 12th June the Governor's speech asked Parliament to consider it. Mr. Rose then brought forward a motion to submit the matter to a referendum, but this was easily defeated. Upon 9th November, 1900, Mr. Lyne, the first Premier to do so in New South Wales, introduced a Bill to enfranchise women of adult age. This was passed in the Assembly, but lost in the Upper House by three votes. In 1901, the State election took place, and Mr. (afterwards Sir John) See, the new Premier, openly advocated woman suffrage, and during the following year brought in a Bill, which was again carried in the Assembly, but lost in the Council. In 1902, the Premier again introduced a Bill, and the Council, no longer able to oppose a measure approved by the Federal Constitution, allowed it to pass. The Bill was returned to the Assembly in August, 1902. It received the King's assent on 4th July, 1903. The women of New South Wales voted for the first time on 16th December, 1903, at the first Federal election, as did also the women of Tasmania, Queensland, Victoria, and West Australia, who voted in their own State elections in the order in which they are placed.

In the younger colonies (not States until after Federation) the course of events resembled those already detailed. The respectable conservative stolidly opposed reform, and the jealous critic talked nonsense, while a group of hard-working women and a few far-seeing men laboured for the

coming day. In Tasmania, women began to organise in 1896, and a measure approving of the reform passed the Assembly by a two to one majority. The little sister promised to do better than the big ones of the family. But the question was soon hampered by rejection in the Upper House and by the complications involved in the new electoral system; Tasmania adopted the Hare-Spence method of voting, the invention or adaptation of a South Australian woman, Miss Spence, but it denied the vote itself to its own women until September, 1903.

In Queensland, active work was begun in 1894, when the Woman's Equal Franchise Association was formed. At one of its meetings, Sir Chas. Lilley, then and always a friend of reform, said: "The problem of the sweating system must naturally interest women most deeply, and she wants a vote, so that she may send men to Parliament who have hearts as well as heads, and who shall declare that this crime shall no longer be, or there shall be an end to the system that makes it possible." Brave words! But the women of Queensland had to wait for ten years before they had power to express an opinion of any practical value. They voted first at the Federal election, and were enfranchised in their own State in 1905.

In West Australia, the Women's Christian Temperance Union was much more active in its demand for woman suffrage than in any of the other colonies, and the cause was fortunate in having an advocate in the wife of the Chief Justice, Lady Onslow. The question was introduced into the Assembly of the colony in 1896, and lost by only two votes. As in the other colonies, the prospect of Federation began to engage attention and delay reform, and the State did not enfranchise its women until after they had voted in the first Federal election.

What has been *the result* of the woman's vote? There are men who would weigh thought in ounces and count inspiration by pennies, as though life

were a child's slate. They say that we have simply doubled the number of voters and done nothing. And there are women who look on the vote as if it were a magic wand, which in their hands might solve every problem and right every wrong. They think that we do not value our possession and do not know how to use it. It is a possession they covet. Both are mistaken.

The possession of the vote by Australian women has done exactly what those who sanely demanded it, expected it to do. When it gave us the right to express our opinions at the ballot box, it gave that opinion an importance it never had before, and we therefore offer it more freely, and with more consideration and more effect, than in a land where women are by law silent. The result may be seen in laws relating to the drink traffic, in those relating to women and children, and in the altered status of the woman, an alteration hard to define, but everywhere perceptible. To the woman the vote has been an education. It is enlarging her outlook, and it tempers her judgment. To be somebody where before you were nobody, increases responsibility and develops character. Women sit on boards and committees, no longer as a concession, but equal with men, and while they learn—at first in the wisdom of silence—the business of dealing with intricate affairs, men learn from their instinctive knowledge of humanity, and from their domestic habit of looking for causes, rather than at effects, much which formerly they missed. The Australian woman who takes part in public affairs is more sure of her position as an individual and less conscious of sex than her unenfranchised sisters. This result of the vote is visible everywhere to those who choose to observe.

There were enthusiasts who thought and hoped that when we were enfranchised a woman's party would be formed, which would vote as one for great reforms. A similar hope probably inspires unenfranchised women all over the world. They suppose that all women will think alike in politics,

although they know from easy experience that they differ widely on every other subject, and they ignore the fact that in the practical conduct of political life, under party government, such a course would be almost impossible. In Sydney a few women, led by Miss Rose Scott, who, as secretary of the Suffrage League during the whole term of its existence, had done an immense work, did form an association to obtain reform and to ignore party differences. For some time they worked with energy, and undoubtedly succeeded in influencing politicians and in introducing reforms in matters relating to women and children. But the great majority of the women who were interested in politics divided, and the more keenly they were interested the more quickly they divided and joined the party whose theories and methods they favoured. Women's Labour Leagues and Women's Liberal Leagues were quickly formed, and women generally proved themselves capable of being partisans quite as unreasoning as their husbands and brothers.

South Australia and West Australia were more fortunate. In the former a Woman's Non-party Association does excellent work. It has steadily advocated the appointment of women to various offices, and that State has now women police, women magistrates, and women Justices of the Peace. There is a woman Inspector of Schools, and a woman on the Public Library Board. It has a municipal sub-committee, which constantly reminds the aldermen of Adelaide if the streets are untidy or if inspection of nuisances is neglected, and since the municipal regulations in that city have been amended so that women may be elected as aldermen, it has nominated two of its members for election to the City Council, and intends that some day that reform shall also be carried.

In West Australia, the Women's Service Guild is doing similar work, and is also non-party. Its objects are mainly educational, but it is making its influence felt in a comparatively young community,

and many reforms have been discussed in Perth, which, without the prompting of the Women's Guild, might have been left for many years in silent obscurity.

In every State of the Commonwealth there are a few active political women who bestir themselves occasionally, and before an election call political meetings for women alone. But many—probably the larger portion of women voters—are content to consider politics by their own firesides and to vote as conscience, or the influence of a friend, may direct. In this, as in other respects, they resemble their husbands and fathers.

None of the dire results foretold by gloomy prophets have been fulfilled since Australian women began to vote. Domestic quarrelling has not increased. There have been no disgraceful scenes at the polling booths. Election day is more than ever like a Sunday—to which effect the closing of all public-houses contributes, perhaps, more than the women. Our homes are no more neglected than before, perhaps because, in small towns and in suburbs, many women of leisure go to visit the busier housewives and mind the baby while its mother votes. The woman finds no difficulty in recording her vote, and probably makes no more mistakes than her fellow man, and despite the foreboding most horrible of all, we are still womanly women.

Visitors from older countries always notice, and some times bitterly resent the fact, that our women workers are less deferential in their manner than those of older countries. These strangers cling to the belief that there must be, perforce, an inferior class, and they like to feel that they themselves are superior. It is sometimes a pleasant feeling. The independence of our workers is the result of many causes, and the vote must be accorded its share. It has imperceptibly acted as a social leveller, and has helped to increase the pay of female labour. High wages encourage independence. Because of these effects, many young Australian women, born

in homes which in England or Scotland would feel disgraced by their labour, here work as a matter of course, and think labour honourable. The daughter of a professional man may be a typiste in an office where the daughter of the grocer in the little back street is a forewoman. In the office each will, nay, must, esteem the other according to her merit, and outside will not disdain her acquaintance. There will be bounds beyond which neither will pass, but they will not be as rigid as the bounds in older countries. It is not then surprising that the grocer's daughter should sometimes assume equality. She judges from the standpoint of labour and salary; she knows that it is quite possible that she may marry a rich man, perhaps become Lady Mayoress some day, if the Fates are kind, and, like the housemaid who is paid as highly as the accomplished teacher, she behaves as if she were an equal.

They are young, these girls, like their country. They have never felt the influence of an hereditary aristocracy, and though they might be willing to "behave lowly and reverently to all their betters," they are as yet hardly able to recognise their betters when they see them.

These differences in conduct, like the alterations in our laws, may not be entirely the result of our enfranchisement. They may be in part the result of the many causes which led up to it, and to other reforms. But they are now characteristic of young Australian womanhood, and to those who can look back they seem to have had their beginning about the same time as the demand for the vote.

Nursing.

Nursing is, in Australia, one of the most popular of women's professions, and the nurse, trained and registered, can everywhere command privileges conceded to no other woman. It was not always so.

The first trained nurse who came to Australia was Lucy Osburn. In 1867, the Government of New South Wales, driven to the conclusion that

something must be done to improve conditions at the Sydney Infirmary—then the only large hospital in the colony—sent to London for expert advice. The correspondence between Florence Nightingale and Henry Parkes, then Premier (which is preserved in the Mitchell Library), proves the deep interest which both took in the matter. Miss Osburn came to Sydney with the hearty recommendation of Miss Nightingale. She had been trained at St. Thomas', the hospital in London then chosen by the Nightingale Fund for the training of nurses, and she had visited several Continental hospitals to gain experience of their management.

She found the Infirmary always crowded, being much too small for the needs of the growing city. There was no provision for ventilation, the walls were infested with vermin, and it was never free from infectious disease. It was managed by a large board, whose members were irregular in their attendance, so that complaints often passed on and were unheeded, and by a male manager, whose authority continually clashed with that of the "lady superintendent," whose very title he resented. In his opinion voluntary service was admirable; he preferred male to female nurses, and thought training quite unnecessary. In short, he represented the old school, which Miss Osburn had come to supplant. She found the staff, though willing, hopelessly incompetent, and many of them unfit for training. They were all of the poorer class, unused to restriction and generally illiterate. As late as 1875, many of the seniors wrote a copy-book exercise, and did a simple sum every day, and took their work to Miss Osburn to be corrected in her scanty leisure; and, in order to maintain their respectability, she was obliged to insist that the younger members of the staff should never be out alone at night without an elderly female relative.

The Lady Superintendent struggled for five years against all the hindrances which these conditions involved, and then, quite hopeless, told the Board

that she must resign her position. Then Sydney woke from its lethargy. A Select Committee was appointed to investigate, and though Ignorance objected that Miss Osburn was a lady—as she certainly was, and Incompetence grumbled that she did nothing but find fault and interfere, which was not surprising under the circumstances, and Sectarian Feeling complained that she called her assistants “sister,” which proved that she wanted to make the Infirmary into a nunnery—she completely established every one of her charges. The management of the Infirmary was changed; she was given complete control, and she remained in Sydney until 1886, making the Sydney Hospital a model for smaller establishments all over Australia and laying clean and strong the foundation of a system of training nurses, which remains her only memorial.

Miss Osburn brought with her from England five nursing sisters, three of whom remained in Australia, and helped to carry on the system of training and nursing which she inaugurated. Sister Bessie became matron of the Parramatta Asylum for the Insane, Sister Eliza was made matron of the Benevolent Asylum, Sydney, and Sister Haldane went to Melbourne to take charge of the principal hospital in that city.

One of the women whom Miss Osburn trained, writing now of her departure, says: “The resignation of our dearly loved Lady Superintendent left us like sheep without a shepherd. Her personality was so marked, her hold over the staff so firm, that from the head nurse to the juniors we thought that the hospital could not exist without her.” One of the leading doctors of that day, speaking of her to the Select Committee, said: “She is extremely talented, extremely ambitious for the welfare of the Infirmary and the staff, and a lady of great zeal, and I advise you to keep her.” The lady thus described, who met and conquered almost insuperable difficulties, received at first as salary £200 a

year. This sum was afterwards raised to £250, which was considered almost princely. During the sitting of the Select Committee, she was able to prove, to the annoyance of her opponents, that the nurses living in the Nightingale wing, built for them at her request, were, under her management, fed and lodged for £13 a year each. Florence Nightingale taught her followers to be economical.

But the standard of comfort for nurses was not then—at least in Australia—as now. Their bedrooms were very scantily furnished, the mattress was of hessian filled with straw, so that “the first wire mattress caused a sensation.” They were given only brown sugar for their tea, and the butter was so sparingly supplied that “one of the number was always told off to divide it, so that each one might be sure of a taste.”

After the departure of Miss Osburn, her place was given to an Australian of Scotch descent, who had been one of her probationers in 1875—Sister McKay—and the title of Lady Superintendent was abolished. Other alterations were gradually made. The wooden trays and oilcloth-covered tables disappeared from the surgical ward and enamel came into use. One woman who inaugurated a great change in Sydney will always be remembered by Australian nurses. Jessie Cargill, grateful for the benefit she had received from careful nursing, set herself the task of preparing a woman's ward in Sydney Hospital, and with the money she gave and collected, the ward was completely and, for that time, most luxuriously furnished. Later, in 1892, Mrs. Cargill again collected and gave money, in order to furnish comfortable rooms for the Sisters, and still later, after Mrs. Cargill's death, the nurses themselves, grateful for all she had done for women, endowed a ward to bear her name for the use of any trained nurse who might require it. It is rarely vacant.

Though nurses were for many following years carefully trained, there was no general standard,

and occasionally nurses practised who had been neither trained or examined. Attempts at co-ordination were made, and a nurses' home was established by a few ladies who saw the need of trained nursing for the many who would not desire to enter a hospital. But no serious effort to remedy the lack of standard was made until 1899, when the Australian Trained Nurses' Association was formed. This association has its headquarters in Sydney, and from there by means of Branch Committees or Councils in Queensland, South Australia, West Australia, and Tasmania, it controls the length of training, the courses, and the teaching required, and decides on the qualifications necessary for registration, and then registers every nurse who complies with its regulations. The Victorian Trained Nurses' Association does exactly the same work in Victoria, and the two Associations have made a reciprocal agreement, by which the same conditions prevail all over Australia. A Nurses' Registration Bill is now (1919) before the Victorian Parliament. A list of registered nurses, male and female, with their antecedents, is published in every annual report, and this list effectually prevents ignorance or incompetence, for no hospital will engage, and no doctor recommend, an unregistered nurse.

Over 2000 Australian nurses left us for war service; some have been home on leave and returned. We heard of them in Serbia, in France, in Egypt and India, and wherever they went, we are certain that they were working with as much love for the Empire as we who watched their careers from their home in the sunshine.

In Sydney, as in most of the other large cities, there are Associations for District Nursing. These associations began with the idea that a district visitor should be able to give advice on bodily as well as on spiritual ailments. But in most cases the immediate bodily need is so great that the spiritual, though not neglected, becomes subordi-

nate. One nurse in Sydney, in charge of a large, poor district, had during last year 259 patients, to whom she had paid over 4000 visits.

This number must not be taken as a proof of extreme poverty. The pauper, as he is known in older countries, does not exist in Australia, and there is probably very little want which might not be avoided by thrift. But the prospect of high wages encourages waste, and misfortune sometimes follows even careful living. Some patients probably enjoy extremely the kind attention which they get for nothing, though they would not have employed a doctor. The district nurse receives a salary of £68, with board and residence, and her travelling expenses are paid. The nurse who attends private patients receives £3 3s. per week.

In 1911, the great need for expert help, especially for women, and in cases of accident, in the far interior, led to the formation of the Bush Nursing Association. Lady Dudley was its founder, and is still its life patroness. The work of the association owes its success to the energy of the doctors, who are deeply interested in its management, and mainly to the work of the devoted women who are willing to live far from the stir of towns and cities while they serve the need of those who might easily, without them, die for lack of help. The association receives a subsidy from the Government, but some of the districts succeed in raising enough money to pay the modest salary of the bush nurse.

Many and varied are the duties she accepts. Her home is generally poor and inconvenient, and she often travels long miles to places even more inconvenient, and much more rough, to struggle alone against disaster and death. Some idea of the work done by a bush nurse may be gained by the annual report for last year of one district, wherein the nurse is said to have treated 1949 patients and paid 2640 visits. In addition, she had attended 7 obstetric cases and had sent only 22 patients to a doctor. Every bush nurse is familiar with the small subscriber who, when he is told that he has

appendicitis, or tumour, or something equally difficult to deal with, will say: "Why should I pay 10s. a year for a bush nurse, when, after all, I have to go to a doctor when I am ill?" Every bush nurse is also familiar with the gratitude and sweet kindness that would repay her tenfold if it could.

Women and Immigration.

During the early years of settlement in Australia, the colony, of necessity, contained very few women. The Government made some attempt to alter the balance by importing women from "the Islands," as the many archipelagos in the Pacific were then called, but except for the wives of the few officials, there were for many years hardly any free white women in Australia. Assisted immigration began very early in the century, for labour was greatly needed, but the excess of males was not relieved. Women and children were troublesome passengers, the voyage was long, and contractors often refused to carry them. The difficulty seemed almost insuperable, but at length a woman found a remedy. No account of the work of women for Australia would be complete without mention of Caroline Chisholm.

She was the wife of Major Chisholm, who came to Sydney on leave from India in 1846, and she was, as one of her intimate friends has recorded, "a woman whose chief characteristics were common-sense and energy." She found in her new home ample need for both. The immigrants being brought to the little colony by the Government were supposed to be single men, but many were so only because they had been obliged to leave wife and children behind. Besides these, there were, all over the settled portions of the colony, ticket-of-leave men, as they were called—men released because their crimes had been more the result of misfortune than vice, and because their behaviour under sentence had been consistently good. Many of these had also left wives and families "somewhere" in the United Kingdom, whom they longed to see. It

was a time of illiteracy, and Caroline Chisholm began her work by writing to authorities in villages, in workhouses, in asylums, to try to help the men who could not help themselves, and at the same time to bring to the struggling little settlement the population it so greatly needed.

Without rank, without influence, and with an income barely a decent competence, she began a correspondence to try to reach thousands of the poorest women and children "somewhere at home." She has left on record that in one year she wrote and received over three thousand letters. She was exceedingly methodical, arranging, docketing, dating and sending proofs of identity, and at length the Commissioner for Emigration in London, worn out by her pertinacity, began to discuss her cases, and the first two shiploads of wives and children came to Sydney.

By degrees the working-classes in England discovered that honest information about the new land might be had from Mrs. Chisholm, and numbers wrote to her for information. Great schemes for colonisation were then afoot, times were hard in the old land, and toilers were leaving home in thousands, but no one asked the advice of so humble a person as Caroline Chisholm, and she determined to do what she considered her own special work in her own way. She was convinced that the only useful immigration must be domestic and self-supporting. She would not consent to any scheme which would bring to the new country paupers, idlers, or dissolute rascals. She began operations with one man. He was a Chartist carpenter, whom she persuaded to do without beer, save his scanty wages, and emigrate. She had to lend him a few pounds for the voyage, and she arranged that he should send home money to bring out his mother. This was the beginning of Mrs. Chisholm's Family Loan Colonisation Society. In 1850, her scheme was prospering, but in need of money, and she sought the help of Lord Shaftesbury and other eminent men, persuaded them to lend money to help

her to increase her work, established a weekly series of meetings at her little house in Islington, for she had had to go to London to superintend her work, and at length succeeded in chartering ships and sending hundreds of families to the land of hope and promise.

In the course of her labours she felt obliged to expose the abominable conditions under which emigrants were sent out of English ports, and she did it so fearlessly that her life was threatened in Liverpool. But she knew no fear. She came back to Australia in charge of a great shipload of women, and visited the goldfields with them in order to see that the wives were safely placed in the homes of their husbands, and that the single were happily married at once. She addressed meetings of the roughest men to tell them of their social duties and their responsibilities as husbands and fathers. In many cases she united husband and wife after many dreary years of separation.

The street in Islington where she lived was often crowded on the day of her meeting, and fine ladies, who came in carriages, and gentlemen in broadcloth waited while she talked to scavengers and cooks. Robert Lowe wrote an ode to her, "Punch" published a poem about her, in which he said—"Instead of making here and there a convert of a Turk, She made the idle multitude turn fruitfully to work." But, except for those who care for old memories, Caroline Chisholm is forgotten, even in the land she served so well. She died in 1877. Australia did little for the woman who had done so much for her, and England's only reward was a pension of £100 a year for the last ten years of her life.

During the gold rush and after, the great need for labour induced each colony to adopt new schemes for immigration, and many a family came to begin a new life in a new world. They were adventurers, optimists, enthusiasts, who started across thousands of miles of ocean in a little sailing ship to settle in an unknown land. Three or four

months at sea was a test of endurance, and only the strong and hopeful accepted it. We are the children of our fathers, and their characteristics, which now are called Australian, came to us in direct descent from the men and women who sailed round the Cape seventy years ago.

The immigrant girl who comes to any Australian port now may be sure of protection and a welcome. The National Council of Women has done excellent work in connection with the British Women's Emigration Society, and has taken some steps to open a Hostel for women emigrants. The W.C.T. Union is also interested in the matter, and the Young Women's Christian Association, with active branches in every port, sends an emissary to meet every emigrant ship, and offers a home and a welcome to every girl who shows herself in need of a friend and a helping hand. Since the great war, very few immigrants have come to us. But they may come in large numbers bye and bye, and they will be welcomed with a smile and willing assistance.

Children.

Australian women have always found ample scope for active work among Australian children. Our mild climate, with its clear air and constant sunshine, encourages outdoor life, and the child, whether his parents be rich or poor, not confined within narrowing walls, or curbed by continual admonition, becomes naturally more free in manner, nearer to the wild, and adopts less easily the restraints of civilisation. While Sydney was a mere dot on the coast of our great island, Governor King reported to the Home Office that there "were 1007 children, finer or more neglected I have never seen," playing daily in the streets of Sydney, and as late as the time of Macquarie, a child was killed in the principal street, by that time named after King George, though not made or paved, because as he sat in the road putting sand on his head, he could not see Mrs. Macquarie's curriole coming,

and was so knocked down by her groom. Governor King, after sending in the before-mentioned report, resolved to do something for the children of the new land, and his wife, and the wife of the Lieutenant-Governor, Mrs. Paterson, were the first women who attempted public work, or sat on a committee in Australia. They took a house, one of the first brick houses built in Sydney, and, assisted by the Rev. Mr. Johnson, the first Chaplain, they opened it as a home for neglected children, and thus installed the "Barrack" system, which remained the recognised and approved method of dealing with destitute children until 1866.

About that time public opinion in England and America began to protest against the existing plan of sending orphan and neglected children to live in work-houses among infirm criminals. Parents realised that in such asylums the innocent child received an education in vice, and lacked the sympathy and restraint of family life. Eddies from that wave of thought reached this far-off land, and in 1866 Miss Caroline Emily Clark initiated a movement in Adelaide, which ultimately brought about the downfall of the Barrack system in Australia. She began by asking the Premier of the colony that a destitute boy might be given into her charge with the money per week that he would cost in the Government Asylum. A boy and girl were given to her, and she sent them to board with a respectable family, where the board cost only 6/- per week. In the asylum it cost 9/-.

The scheme thus started in Adelaide was soon adopted in the other capitals. In Sydney, Mrs. Jefferis, who had lived in Adelaide, began the boarding-out of a very few children in a cottage home, and for some years the work was done by a small committee. This idea was adopted by the Government of N.S.W. in 1881, when the new method of dealing with neglected children was authorised by law. Cottage Homes, Industrial Homes, Babies' Homes, and other kindred institu-

tions are now in N.S. Wales carried on by the State Children Relief Board. Although the work is national the Board makes use of innumerable women, who as Honorary Visitors or Inspectors, confer the human touch on what might otherwise be formal charity.

The rates under the Act in N.S.W. for boarded-out children are 12/- for an ailing baby, 10/- for a child under twelve months, 8/- for those under two years, and so decreasing to 5/- for those under fourteen years of age. These children attend the local public school, and a report from the master is sent to the Board as to their attendance and conduct. The same amounts may be paid to destitute mothers, who are thus enabled to keep their own children. The total number of State children in N.S.W. according to the last report of the Board is 13,283, being a little over 6 per 1000 of the population. The expenditure for the entire services of the Department was, last year, £201,226. This includes the salaries of 33 officers, who are assisted in the work of inspection by more than four hundred lady visitors.

The Boarding-out System was adopted in Victoria in 1873, but that State does not own the various institutions as in N.S.W. It uses privately-owned institutions, most of them belonging to churches, and pays them a capitation fee. In each suburb or district there is a boarding-out committee consisting solely of women, who superintend all matters, and pay the foster parent or the actual mother the allowance due to her. An authority on the subject says—"Women in Victoria rock the cradle in social matters, and men look over their shoulders approvingly." In Victoria in 1918 there were 11,143 children under supervision, and the expenditure was £175,152.

In S. Australia there were, according to the last report, 1789 children in the various institutions, many of these being connected with the different churches. Queensland has reaped the benefit of the

experience of the older States, and her Act, passed in 1911, is, in the opinion of those competent to judge, one of the best Acts extant dealing with neglected children. In West Australia the work has been begun, but the State is young, and at present it still centres in the capital, Perth.

Miss Spence.

After 1878 Miss Clark, who began reform work for children in Adelaide, had an energetic assistant in Catherine Helen Spence. Miss Spence was a Scotswoman who came to S.A. in 1839, when she was fourteen, and who during a long life never ceased to work for a good cause, if it needed assistance. She began as a novelist and journalist, but soon found other fields in which to labour. Twice she visited Europe, and travelled all over England, the United States, and Canada, to scatter far and wide her pamphlet—"A Plea for Pure Democracy," and to lecture on her scheme for effective voting. During these visits she examined the methods of dealing with neglected children adopted in the different countries she visited, and became an authority on this subject. For many years she contributed to English reviews and magazines, and during each visit to England enjoyed the personal friendship of John Stuart Mill, George Eliot, and other writers of her time. Born a Presbyterian, she deserted what she called its narrow Calvinism, and became a Unitarian, often a preacher in Unitarian churches, always a teacher. On her eightieth birthday the Chief Justice of South Australia said of her—"Novelist, critic, essayist, accomplished journalist, preacher, lecturer, philanthropist, social and moral reformer—the most distinguished woman in Australia."

In every capital in our great island, and in many smaller cities, almost innumerable associations exist, having for their object varieties of social and philanthropic work. Among these the Kindergarten Unions may, by the number of their committees, and the unique work they do, be considered impor-

fant. The first Kindergarten Union was founded in Sydney about twenty years ago by a few persons, mostly women, who wished to set forth kindergarten principles, then greatly misunderstood or ignored, and to open free kindergartens for children who might otherwise become larrikins, and eventually criminals. Progress was at first slow and difficult, but free kindergartens now flourish in every large city, and in Sydney, Adelaide, and Brisbane the unions possess, as well as the kindergartens, a training college, whose diplomas are accepted by authorities in education.

Domestic and Industrial.

Australia has always had a domestic problem. In the beginning, "the assigned servant," often a martyr to harsh custom rather than a criminal, was naturally distrusted, and she often repaid suspicion with ill deeds. She passed, and now lives only in the tales of our great grandmothers, but her influence remains in our domestic architecture. When there was no choice but to take servants from among well-behaved criminals, the kitchens and servants' quarters were built far from the main dwelling. In all old Australian houses, now fast disappearing, this is a noticeable feature. The practice thus begun remains to this day; perhaps also because it is sanitary, and suitable for a climate where there is very little unpleasant weather.

As the assigned servant disappeared the gold rush came, to change completely the ideals and alter the prospects of the little colonies. Men rushed hither and thither in search of sudden fortune; ordinary work was left untouched, and the products of labour rose to an enormous price. Meat was the only cheap commodity; but, though a leg of mutton could be bought for a shilling, it had to be carried home by the buyer, for there were no boys or men to deliver it. The excitement reacted on the women, and girls despised domestic drudgery, when they might hear at any moment that they were the daughters of lucky

diggers, or might marry a man grown so suddenly rich that he would burn five-pound notes, or do a deed that would alter the course of his life without any pause for consideration.

Immigrants began to come to the land of gold. Sailing ships brought girls and young men in hundreds, and mistresses began to hope for days of leisure. When an immigrant ship arrived the girls were taken to the "Depot," and would-be mistresses, admitted by ticket, walked along lines of astonished girls, and asked the qualifications of those whose appearance they liked best. Values varied amazingly, and it was an amusing experience to everybody. The girl whose manner was most promising generally had a great many clients, and occasionally the business became something like an auction. But she had nearly always "Come to friends," and said accordingly, "I am engaged." A great many did come to friends, for there was a system by which persons here could pay a deposit towards the passage money of any suitable friend they nominated, and arrange for further payment on arrival. A trial generally proved that the girl from Connemara or Clare, for they were generally Irish, knew absolutely nothing of the methods or appliances of a kitchen, and mistresses, when they met, had an inexhaustible topic of conversation in the queer mistakes of the "new arrivals." But the girls were amiable, and willing, and, as every one of them had a "cousin" or two "in the foorce," her policeman's company made her contented with her new home.

The immigrant girl passed. She belongs to the stories of our mothers and grandmothers. Her daughters, well educated and prosperous, often very wealthy, for opportunity waited on readiness in those days, do not remember the name of the ship which brought their mother from poverty to fortune.

With increase of population and harder times, the Australian girl began to "go to service." There is no better domestic worker anywhere. She can do anything, unlike the English girl, who always wants her work to be defined, and she will do it with

a smile, if you treat her well, and refrain from displaying your superiority. But she must be allowed her freedom, and she must be well paid, and have ample consideration. The old retainer, who stayed on for years, because she loved the family, never existed, except in isolated instances, in Australia.

A general servant, if she can be got, is often paid from £1 to 25/- weekly, for service in a small private family. A cook and laundress gets considerably more. The little parlourmaid expects £1 or 25/- a week. Women employed in hotels and restaurants, as well as those who work in laundries, are paid according to an award. In a hotel the waitress must be paid 38/-, and the housemaid not less than 37/-. The cook, if a woman, may receive £2 10/-, but an efficient worker can command more. In a laundry the washer gets 30/-, the starcher 28/-, and the starch ironer 27/6. The shirt and collar machinist is paid at least 30/- per week. The day workers are paid 5/- a day. All these must be paid extra for overtime, and there is a heavy fine for the employer who neglects to attend to the hours in which his people work.

Despite high wages, this service is not popular, and work in a private house is even less so. Many women who were brought up in homes where two or more servants were kept thirty or more years ago, now live in a small house, and do their own work, because they find it almost impossible to get help. There are many reasons for the widespread dislike of domestic service, and in a community where there is equal opportunity for all, or nearly so, they must carry more weight than in older lands, where there is a tradition of subservience. Despite continual and strong protest, the Australian girl still believes that if she does house work for wages, she must lose social status, and she prefers factory work, though with it she gets no board and no lodging, and is therefore not so well paid.

Factory work is well paid in all the States, and highest in N.S. Wales, though, in the opinion of many able to judge, it is not yet sufficiently remu-

nerated even here. Among factory workers, the tailoress stands highest socially, and receives the highest pay. In N.S.W. the last award gives the coat maker over 21 years of age 38/- per week. The award is, of course, the minimum. Many expert women who undertake order work receive from £2 to £3 per week. Other workers are paid less, but none are low. The last award gives the dress-maker's assistant, who may be a schoolgirl, unable, despite excellent public school teaching, to use a needle properly, 15/- per week. This award, which will probably have the effect of putting many "little" dressmakers out of business, is condemned even by those who are in favour of high wages, and may lead to a demand that women should be allowed to sit on Boards which consider the awards in women's trades.

For many years in every State, except Victoria, which was in favour of Protection, the few factories which were brought into existence, were built without knowledge, and carried on without supervision. The Government of the Mother State did not possess a Factory Act until 1897, when one was passed, and the first inspectors appointed—one woman and two men. The area of the Act was very limited, though the area over which the inspectors had to travel was as large as half Europe. At that time ready-made clothing was imported, and the first clothing factory in N.S.W. was begun in that year. Since then awards to increase wages and lessen hours, to close shops early, and insist on ventilation and every other sanitary provision, have brought about a revolution, slow and silent, but very effectual.

In large factories now dining-rooms are provided, and the workers as well are given morning tea, an institution thoroughly Australian. In the best-managed, a matron looks after the spiritual well-being of the hundreds of girls in her charge, and in some a trained nurse gives all her time and care to those who suffer from minor ailments. The consequence of this attention is visible in the de-

meanour of the girls. The Australian factory worker who works in a well-managed factory, under capable supervision, is a self-respecting young woman, whom it would be an insult to patronise, and only those who work in ill-managed establishments forfeit their status.

Women's Associations.

The Young Women's Christian Association has for many years done excellent work among the young women of Australia. The first association was formed in Geelong, Victoria, in 1872, but the time was not ready for it; there were difficulties, and it disbanded. The next attempt was made in N.S. Wales, and an association was permanently established in Sydney in 1880, when Mrs. F. Barker, wife of the Anglican Bishop, and Mrs. Chadwick, decided to open a home for young women under its auspices. Mrs. Goodlet was elected president, and the home was opened in 1881.

Melbourne formed its association in 1882. In South Australia, Lady Colton had begun work on similar lines in 1879, and in 1884 her society became a branch of the Y.W.C.A. Hobart followed in 1885. In Queensland the work was begun in Rockhampton, an important northern town, in 1888, and Brisbane, the capital, followed in 1891.

In 1895 the work of the Association was organised, and each branch was connected with the parent association. Departments were assigned their work, and new enthusiasm inspired the workers. Each city now possesses a home worthy of its work. In Sydney, as in the other cities, there is not only a home and an office, but also a restaurant, a hall for meetings, and rooms where classes on many subjects may meet. The association also carries on two hostels, in one of which a room is available at any hour of the night, for women or girls who may by accident find themselves homeless in a strange city. It supports an officer who meets steamers and trains, advises homeless girls, and generally assists any young woman who may apply

to her, or the association for help. In innumerable instances the Y.W.C.A. has, by the work of this officer, been able to restore wanderers to their friends, after all other ways of seeking them had been exhausted.

In Melbourne the Association possesses a fine building, towards which one family gave £15,000. In Adelaide, the first permanent home of the association was a Memorial to Lady Colton, its energetic founder. In 1907 the associations affiliated with the World's Y.W.C.A., and this step has widened interest, and offered to Australian members an extended horizon.

The Girls' Realm Guild began its work in Sydney in 1902, and has now branches all over N.S. Wales, and a membership of about 3000. There are guilds in other States, but they are not yet very flourishing. The object of the Guild is to help girls in need of help, and for this purpose it enrolls members among those who are more fortunate, and in various ways raises money to pay fees for classes or apprenticeship, or in any other way possible to assist girls in poor circumstances to learn how best to earn a living. Some of those assisted pay back the loan which helped them to independence. There are generally about fifteen girls being thus assisted, and the Guild has, since its inception, helped over 70 young women.

The North.

One part of our great island—the north—has in its scanty population a very small proportion of women. Two, who both lived there for a time, have written charming books about it, but neither Mrs. Gunn, who describes her life on a station in the Never Never, or Miss Masson, who lived at Darwin for a year, succeeds in making our tropical North attractive as a place of residence. The climate may be endured by men, who live an out-door life, but women, tied to domestic duties, suffer much. They cannot, as in other tropical countries, have abundant help. The blackfellow, with his lubra, ineffi-

cient at best, and often when most needed, filled with an irresistible longing for "the bush," is dying out. The Chinaman, an excellent servant generally, is going home, for Australia insists on being "white." Few women of any white race will stay there to do house work, while high wages offer in a temperate climate, and the housekeeper's burden becomes heavy.

An American expert says of life in the Northern Territory—"The white man individually may exist; racially, he cannot persist." To this critics reply "Not proven;" but the idea remains, and since few mothers at present stay there for long, proof for one side or the other is difficult. A few women go north as nurses from the Australian Inland Mission, a few officials try to make homes there, and a settler or two, with their wives, may be found in favoured spots, but on the whole we tacitly agree that for the present, while wide spaces in a cooler climate are waiting for settlers, women need not attempt to conquer the heat of North Australia. Some time ago a commissioner, sent by the Welsh settlers in Patagonia, made investigations, and, after a visit, reported favourably on the prospects of Patagonians who might decide to make a change from the cold South to the warm North. But we have had no more visitors from there, and we conclude that the commissioner's clients were not so easily convinced as he was.

"Society," as it is in Europe, does not exist in Australia. With no queen, no court, no hereditary nobility, we know nothing of aristocracy, except what we glean from the few admirable isolated specimens who come to us as Governors. Nor have we, as in the United States, an exclusive "Four Hundred," or an association of self-satisfied first families. Here are no railway magnates, no multi-millionaires, and we display no grandiose mansions, and are dazzled by no "diamond horse shoes." There are among us, it is true, a few knights whose wives assume the title of lady, but as they have been, in many instances, lifted to the little pinnacle by

the frothy swirl of party politics, the title is not very highly esteemed. The woman who was estimable as the wife of a tradesman, remains estimable, though she call herself "Lady;" but the title does not increase our regard for the vain and self-seeking. Society there is, in every city and country town—society of a sort, where like attracts like, and where the wealthy and those who live in expensive suburbs meet their fellows, and perchance consider themselves somewhat above the common herd. But even there the one-time toiler may dwell in affluence, and his wife, in earlier days, a cook or dressmaker, may learn the manners of the better nurtured, and hold her own among them.

Education in our Public Schools, where the child of the rich man shares the free education which is given equally to all, tends to lessen differences of social position, and we may hope to see some day an Australia in whose clear sunshine the only aristocracy will be one of education and high worth.

CHAPTER VIII.
**THE PHYSIOGRAPHIC CONTROL OF
SETTLEMENT.**

By Professor Griffith Taylor.

PART I.

Introduction.

It has been stated that "man is the product of his environment." The value of this generalisation depends largely on the meaning assigned to the word environment. If we include all phases of mental, moral, and physical environment, no doubt it is largely true. If we confine our study to *physical* factors, we find that their influence to some extent varies inversely with the degree of civilisation of the race concerned. But the physical aspect still remains of great importance even in the most cultured settlements, and this is especially true of the industrial phases of modern life. It is this physical and material aspect alone which will be studied in the present section.

In Australia the very great proportion of the people is directly concerned with the development of natural resources. There is practically no leisure class whose life might be considered to be unaffected by industrial matters. There is, moreover, very little settlement in outlying regions for purposes of defence. We find, in short, that the whole of our settlement has taken place along the natural lines of trade and industry, and this greatly simplifies our study—even if it makes the evolution of our Commonwealth appear somewhat tame beside that of the powers in other continents. Yet a study of the struggles of the settler with his environment shows that they have been as strenuous in Australia as elsewhere; and as they have occurred within the last 130 years, it is, perhaps, easier to obtain a coherent picture of the whole.

It will be of interest to review the course of exploration and settlement from the earliest days in the light of our present knowledge, and see how Nature has here thwarted and there assisted her greatest disturber. This heuristic method will show us that by 1870 almost all the economic regions of Australia were known, and, except in mining, Australia's resources could have been fairly estimated even at that early date.

Australia has inhospitably turned her back on the older centres of civilisation (see Fig. 1), as if to preserve herself from invasion by yellow or black races. She looks and will continue to look towards the Pole or, at any rate, to the South-east, rather than to Java and India. Hence, in spite of all inducements the bulk of the population will always remain in the South-east corner, which is bathed in the rains due to the cool Antarctic cyclones.

Discovery and Physiography.—The least known portion of the Australian coast-line is probably along Cape York Peninsula in the vicinity of Cape Keerweer. Apart from one or two mission stations, there is no settlement to this day, and the charts still show by broken lines the nebulous state of our knowledge. Here, early in 1606, the first authentic survey of our coasts was made by Captain Jansz, of the "Duyfken," and there was nothing in the look of the place—the mangrove swamps, teatree thickets, and scattered eucalypts—to tempt the Dutch or any other nation to settle there. They had, in fact, struck perhaps the least attractive coast of all the "winter-drought region," of which more anon.

The next great voyager was Hartogs, who was even more unfortunate. He discovered the only portion of the coast which receives a bare 10-inch rainfall. The name Dorre (*i.e.*, barren) Island indicates the effect of the dry off-shore trade winds, which dessicate this coast for the greater part of the year. A little later, in 1619, Houtman named the reef off Geraldton *Abrolhos* ("Keep your eyes skinned"). In 1623, Carstens, in the "Pera" and

"Arnhem," surveyed the coasts of Arnhem Land and Carpentaria. These can still be described as a region "of shallow waters, barren coasts, islands altogether thinly populated by divers cruel, poor and brutal natives, and of very little use."

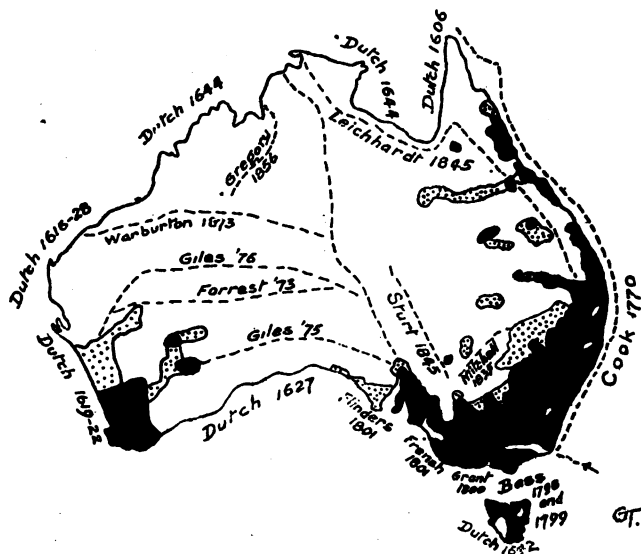


FIG. 1.

EXPLORATION AND PRESENT POPULATION (1911).

Black Areas: Over one person per sq. mile.

Dotted " " " " 4 sq. miles.

The first circumnavigator was Tasman, who, in 1642, sailed from Java to Mauritius; then he pushed southward, until he was caught by the Brave West winds, which carried him direct to Tasmania. He first sighted Mount Zeehan (later famed for its silver-lead), and landed in the south-east at Marion Bay, north of Tasman's Peninsula. He was, perhaps, the first European who was justified in thinking Australia other than a region of barren wastes or stunted vegetation defended by shallow

reef-strewn waters or cliff-bound coasts. Thereafter, however, he left our shores, passing east and then north by New Guinea; and though he returned next year, it was to the same northern coasts already unfavourably known to the Dutch.

Perhaps Dampier's voyages are responsible for the early lack of British interest in the new southern continent. He spent three months near the site of Derby, W.A., in 1688, and in August, 1699, having been sent by William III., he explored northward from N.W. Cape. It was his misfortune to arrive at the end of the winter, which is always dry, and he could find no water. "His comments on the barren appearance of the land and on the inhabitants—the miserablest people in the world—militated strongly against further investigations being made."—(*Favenc.*)

The fertile portion of West Australia was partly explored by Vlaming in 1696, who first collected the black swans and named the Swan River. [The old name of the Swan River Colony for this well-defined region in the south-west has recently been revived in the name of *Swanland*, which will be used here.]

Cook, in 1770, was the first voyager to reach those portions of the continent which—like all eastern coasts near the Tropics—are beneficially affected by the constant Trade winds, or by the rain-bearing systems known as the east-coast cyclones. It is noteworthy that his was a truly scientific expedition—and England has here reaped a rich reward from this but too rare example of her encouragement of science; for it was the authoritative reports of Banks and others which contributed largely to the founding of the first settlement in Australia.

Cook reached Cape Everard in Victoria in 1770 (see Fig. 1) and charted the whole east coast northward to Torres Straits. The First Fleet arrived in Botany Bay in 1778, and thereafter the struggle of man with his environment was the chief feature of Australian history for half a century or more.

PART II.

Exploration and Physiography.

The noble harbour of Port Jackson determined the first settlement. This unique sheet of water owes its deep frontages to the fact that it is a drowned river valley—depressed by the same forces which formed the famous Blue Mountain scarp. The folding accompanying the formation of the latter feature determined the course of the Nepean River to the west. This cut off the stream which had drained into Port Jackson, and so prevented the channels from being silted and obliterated. *Per contra*, but little alluvial is preserved along the harbour shores, and so we find the early settlers having recourse to the valley of the capturing river—the Nepean—for their cattle pastures near Camden, and, later, for their crops at Richmond.

A simple grand fold has buckled the sterile Hawkesbury sandstones, so that they are 3000 ft. higher at Mount Victoria than at Sydney. Growth during the first thirty years of the young colony's life was thwarted by this unusual type of mountain barrier. Here are the finest bottle-neck valleys in the world, and their evolution remained a puzzle until David's research eighty years later. Darwin himself was astonished by them in 1835. "Great arm-like bays expanding at their upper ends penetrate the sandstone platform. . . . Although several miles wide at their heads, they generally contract towards their mouths to such a degree as to become impassable. . . ." All attempts to penetrate into the interior by the natural routes—along the valleys—failed; and, indeed, the traffic to-day is practically confined to one railway route which ignores the valleys and closely follows Blaxland's route of 1813.

In 1797, Shortland discovered the Hunter River. Here is the site for a town, which possesses all the advantages lacking at Sydney. A fine stream leads inland to a broad, open valley which penetrates to

the interior by the lowest gap in the Highlands from the Darling Downs to Western Victoria. This has been named the *Cassilis Geocol* (or Gate).

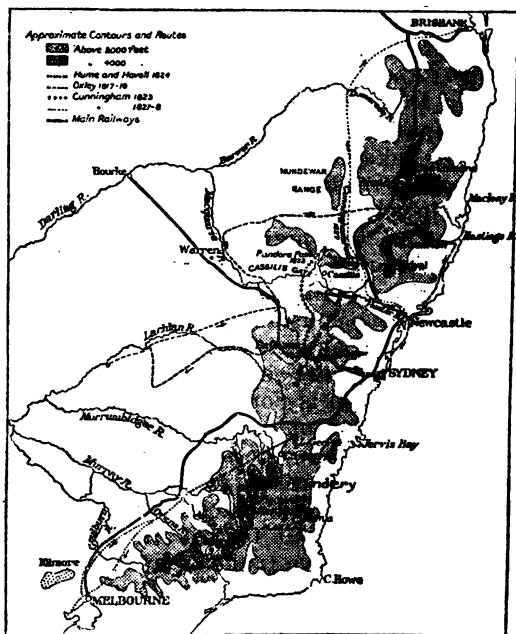


FIG. 2.

CONTOURS OF SOUTH-EAST AUSTRALIA.

Showing early exploration and the Cassilis Gate.

(From *The Geographical Journal*)

The river alluvial around Maitland is some of the most fertile in Australia. The coalfields are among the richest in the world, and will inevitably place the closest settlement of the future in the vicinity. Thus the Broken Hill Corporation has chosen this locality for much of its manufacturing in spite of the distance from its headquarters, and many other industries are similarly influenced. It is an interesting speculation as to the size our largest city would have reached had it been placed in this region of infinitely greater economic importance.

Everywhere from the northern to the southern border of New South Wales the same menacing scarps front the sea. Oxley, in 1818, descended the New England Ranges *via* the Hastings Valley, where he tackled a region that is almost devoid of settlement to this day. Apart from the Cassilis route crossed by Cunningham in 1823, only to the south-west along the route of the southern railway is there a comparatively easy grade to the west. This leads to the Lake George depression, and so to the Murrumbidgee. The route follows up the Nepean River, which was sparsely settled by 1816. The Wollondilly, as the main branch of the Nepean River is called, runs through such rugged country that I doubt whether it has ever been followed continuously for any considerable distance. To the south again the coast-line is determined by a slipping down of the crust along a major fault plane. Hence traffic is confined to roads parallel to the south coast, and only at infrequent intervals is there a road leading to the interior. (See Fig. 2.)

The western slopes of the Highlands were reached in 1813, and were found to lead gently towards the interior. There are but few of the great fold and fault planes which have truncated the eastern limbs of the Highlands. The rivers flow less rapidly; but, on the other hand, are often dry from the increasing aridity as we move westwards. The next 20 years of exploration were struggles against an unfamiliar environment, characterised by an inland drainage and an erratic rainfall.

Oxley, in 1817 and 1818, had determined the character of our inland rivers. Both the Macquarie and Lachlan he found to leave the Highlands about 150 miles from the east coast, and to traverse the plains without receiving any further important supplies of water. Gradually they decreased in volume and were lost in the marshy swamps of the interior. He was, in fact, entering a region undergoing the early phases of a cycle of arid erosion, and with this type of country an Englishman was naturally unfamiliar. (See Fig. 2.)

Hume and Hovell started in 1824 from Lake George (in New South Wales) to reach the coast at Port Phillip. Marching more or less parallel to the coast, they kept within the region of good rainfall, but the topographic difficulties were at first of a somewhat special nature, for in this corner of Australia is developed an extensive series of fault blocks. The numerous streams which they crossed—the Murrumbidgee, Goodradigbee, Tumut, Upper Murray, Ovens and Goulburn—probably all flow along ancient fault valleys, occupying strips of the crust which have “foundered” relatively to those adjoining them. They returned through the Kilmore Geocol—which is a low gap putting Melbourne in easy communication with its hinterland, and in that respect far enhancing the value of the city for a State capital as compared with Sydney.

In 1829, many rivers had been discovered all flowing to the west. No large estuary had been observed anywhere round Australia which seemed adequate as an outlet for all this water. We can understand, therefore, that there was a general belief in a large inland sea,* just as Africa had its mythical Mountains of the Moon. The latter report was based on Ruwenzori. The former belief has been justified in part in two ways. The West Queensland rivers still run into an inland sea in the form of Lake Eyre, while a considerable proportion of the water in the rivers of South Queensland and of Northern New South Wales flows into an underground “sea,” the artesian basin.

*Wentworth wrote of the unknown western portion of the Macquarie River:—“If it should be found to empty itself into the ocean in the north-west coast, which is the only part of this vast island that has not been accurately surveyed, in what mighty conception of the future power and greatness of this colony may we not reasonably indulge. . . . Its course cannot be less than five to six thousand miles.” (See the graphic account given by Ernest Favenc in *Explorers of Australia* (Christchurch, 1908), which I have used freely for my chronology.)

Mitchell and Sturt cleared up the mystery of the drainage of south-east Australia in the period 1830 to 1836, and showed that it resembled that of the Nile basin. The Murray rises in well-watered regions, fed with snows in places. It receives numerous tributaries in its upper course and then gradually enters a region of lower rainfall, where it receives no further supply in the last 400 miles.

In 1836, South Australia was settled and exploration progressed rapidly from Adelaide. Eyre's first trip with cattle from Victoria to the new centre was blocked by the Mallee sand-ridges. These peculiar outposts of the desert occur in a comparatively well-watered region. They are partly clothed in teatree and scrub; but, applying Penck's hypothesis, they perhaps indicate that the desert conditions are migrating southward, whereas the northern areas of the desert are being reclaimed by Nature herself. However, large areas of the Mallee have been devoted to wheat in recent years.

The great problem of South Australia was entirely due to physiographic conditions. Eyre saw Lake Torrens in 1838, and a little later, from Mt. Hopeless, he saw similar sheets of water to the east. Hence a horseshoe cordon of salt lakes appeared to cut off Adelaide from the north. Lake Torrens occupies a rift valley of fairly late origin, while the lake Frome series of salt lakes seem to have been dammed back by the comparatively recent uplift of the Flinders Range.

There seems little doubt that the inland rivers, Barcoo, Strezelecki, and Siccus, flowed directly to Spencer Gulf before their lower course was raised 1500 ft. by a late tertiary buckle of the crust (as shown by Howchin). At any rate, though Babbage disproved the "Cordon" in 1856, a rise in water level of 100 ft. would link Frome to Eyre, while very little more would allow Eyre to flow through the Gap to Lake Torrens, and so justify the old theory.

PART III.

Exploration Since 1840.

In 1844, Sturt made his gallant attempt on what is probably the least attractive portion of Australia. It certainly has the lowest rainfall, for near Lake Gregory this is only 4 inches per year. He passed Broken Hill and carried his boat (to traverse the "inland sea") to Depot Glen, near Tibooburra. Here he was held up for six months until a tropical-trough rain (the only source of rain in these regions) fell in June. He discovered the gibber plains beyond Cooper's Creek—the "gibbers" being jasper-like fragments of the disintegrated cover of the great artesian basin. He reached the real desert sand-ridge country, and, in fact, penetrated the true home of King Drought (see Fig. 1). Here on the Strezelecki, "in the year of grace 1916, is Birkett's woolshed, now represented by a single post, but where at one time 20,000 sheep were shorn."—(*Vide* E. R. Waite.) It is the variability of the rain which is the potent factor in settling our interior, and the diagram (Fig. 5), discussed later, gives the clue to all the miseries of Sturt and his too sanguine successors.

In tropical lands generally the too luxuriant vegetation is one of the chief factors impeding exploration. This is lacking throughout Australia except for a mere fringe along the north-east coast. It led, however, to the tragic end of Kennedy's expedition in 1848. He was ordered to explore the east coast north of Townsville and to make his way to Albany on Cape York. Here, without exception, is the grandest coast scenery in Australia. Here are the chief waterfalls and the finest gorges. Here the rivers rise *on the coast* and flow westward; and here only is a tropical plateau rising to 5000 ft. high, clothed in dense lianes, lawyer vines, palms, and tropical vegetation akin to that of the Malay States. Had Kennedy's path been further to the west, he would have passed through comparatively open country, instead of which he had to cross a deeply dissected scarp in which the

"youngest" streams in the Commonwealth are busily notching their valleys. Kennedy gradually lost his transport animals. The numerous aborigines of this productive corner of the continent dogged their steps, and finally only three of the thirteen men were rescued.

Here the rugged topography (due to the recent submergence of the eastern slopes of the Highlands) and the heavy rainfall (due to the constant on-shore trade winds) were primarily responsible for the disaster.

Leichhardt, in 1844-5, explored some of the most valued portions of the north. He traversed the Burdekin and its tributary, the Belyando, and then coasted round the Gulf of Carpentaria and so reached Port Essington. Although he was not hampered by tropical vegetation, nor unduly by drought, he seems to have come through safely by good luck rather than by good management. His next expedition started from the Darling Downs to go due west. Nature here was less hospitable, and though it is possible that he reached the Elsey River in Northern Territory at the head of the Roper, no definite relics of his party have ever been found.

In 1859, Stuart attacked the central regions a little west of Sturt's explorations. He was fortunate in coasting the edge of the artesian sea, where its overflow appears as numerous springs, at Hergott, Coward, Strangways, etc. Thence he entered the riverine region, where the drainage of the Macdonnells flows towards Lake Eyre. Here the evolution of the land surface has led to great rocky gorges in the ranges, in which are deep permanent pools and where relics of the pre-arid flora (such as *Livistona* palms) have still escaped destruction. To the north the mulga scrub defied him on two expeditions, but he reached the sea near Darwin *via* Adelaide River on the 24th July, 1862. (See Fig. 1.)

By 1862 the whole of Australia was fairly well known, except a solid block in the west bounded, approximately, by lines from Broome south to the Bight, east to Lake Eyre, and north along the over-

land telegraph to Victoria River in Northern Territory. The Fitzroy and Sturt Rivers had been traversed, but elsewhere it was *terra incognita*.

The primary control here is sheer lack of water. With an evaporation of over 100 inches, a rainfall of 10 inches per annum is not of much consequence whether it is reliable or not, and only in the extreme south-west can this small amount be counted on with any certainty. Hence the magnificent journeys of Warburton, Forrest and Giles in 1873-6 only served to show how little Australia has to expect from this inner western region. Apart from the goldfields settlement (in the south-west corner of Australia Infelix), which is maintained by mining and dependent largely on a colossal scheme of artificial water supply, there is hardly a settler to this day. The above three explorers all travelled along the parallels, but in 1896 two parties, under Wells and Carnegie, cut across their tracks, starting from the goldfields and marching north.

All give the same report of everlasting sandhills sparsely covered with spinifex and scrub and interspersed with mulga flats. Surface water is usually obtainable in small quantities, as the line of Canning's wells (from Wiluna to Hall's Creek) shows, but there is only scanty feed for cattle or sheep in the best of it, and Talbot has reported adversely on the mining possibilities of the northern portions.

Here, then, we have a typical trade wind desert. It contains some vegetation and some water; it is by no means all sand; but neither are the Sahara or Atacama sandy deserts void of all vegetation. Australia Infelix is due to similar causes—the easterly winds blowing along the tropical side of the belts of high pressure. Had Australia been situated but ten degrees nearer the South Pole, our interior would have resembled the Mississippi basin, and we should probably equal U.S.A. in population as we do in area. Little is gained by shutting our eyes to these disabilities, and it is as much to our interest to study the controls governing these less favoured areas as it is to boom our restricted closer settlement areas.

PART IV.

The Topographic Factor.

Australia has, perhaps, the least diversity of surface of any of the continents. Possibly Europe has a lower average elevation, since so much of it is below 600 ft.; but it has large areas above 2000 ft., whereas Australia has only about 5 per cent. of such upland country. (See Fig. 3.)

The old terms, "dividing ranges," "mountain ranges," etc., have been carried from Europe (which is characterised by numerous fold mountains of late geological formation) to our Australian continent. Here they are applied indiscriminately to the edges of plateaux, and to valley divides and warp divides, which are barely identifiable in the field. On our ancient land surface serrated ranges are the exception, and plateaux and peneplains are the rule.

(a) *The Eastern Highlands.*—The Highlands are chiefly congregated along the east coast in a meridional direction. They form one crest in the series of waves which separate the deeps of the Pacific from the ancient Massif of West Australia. We see other members of the series in the Tonga-Kermadec ridge, the New Hebrides ridge, and the Lord Howe Ridge. The Highlands extend from Torres Straits to the South Australian border, but no more misleading term than the Great Dividing "Range" could be imagined. In Canada an insignificant divide is labelled a "height of land," not a mountain range, and a similar procedure would improve our maps.

The Eastern Highlands consist of a complex of diverse units, which are usually quite ignored except in so far as they form the actual watershed. Thus most topographic maps make no distinction between the important Atherton Plateau and the Jericho Gap, or between the broad New England Plateau and the Cassilis Gap. The Blue Mountains are shown as a ridge, whereas they form a level but deeply dissected plateau. The Tindery group (nearly

5000 ft. high) is omitted, and the Cooma watershed is elevated into an important range, though it is not easy to distinguish it in the field. (See Fig. 2.)

The Build of the Eastern Highlands.—In Queensland the Divide is only an important feature where it is formed of basalt-flows of comparatively late date. Among these are the Downs at the head of the Burdekin, the Buckland tableland east of the Dawson, and the Darling Downs around Toowoomba.

In New South Wales it runs along the New England Massif, built largely of granite, and the chief high level region in Australia. To the south another area of lava-flows (the Liverpool Range) deviates the divide to the west. Here it degenerates to a mere water-parting (at Cassilis) between the Goulburn and Talbragar rivers. The "range" is not 2000 ft. high hereabouts. It returns towards the coast, and then to the south is formed of a series of indefinite ranges, consisting here of flows and there of recent folds, and again, as at Cooma, of no apparent elevation at all. For instance, Lake George is perched right on the Divide and Merigan Creek flows right through the so-called divide to the east of Lake George. (See Fig. 2.)

The zigzags round the heads of the Snowy and Tambo Rivers are the results of important river captures. At Macedon we find another mere water-parting in a valley forming the divide. In the west of Victoria a great area of pliocene basalt has flowed across the divide and made it difficult to place the exact water-parting. There is nothing in the shape of a range for considerable sections at the end of the Great Divide.

All this eastern highland region is, indeed, the dissected edge of a more or less uniform peneplain sloping gradually to the west. Folding and shearing forces have sliced off meridional belts, which in some cases have probably sunk beneath the sea—as off Central Queensland and off New South Wales. In other cases, fault valleys occupied by young rivers—such as the Murrumbidgee and Snowy—or folds bordered by deviated streams such as the

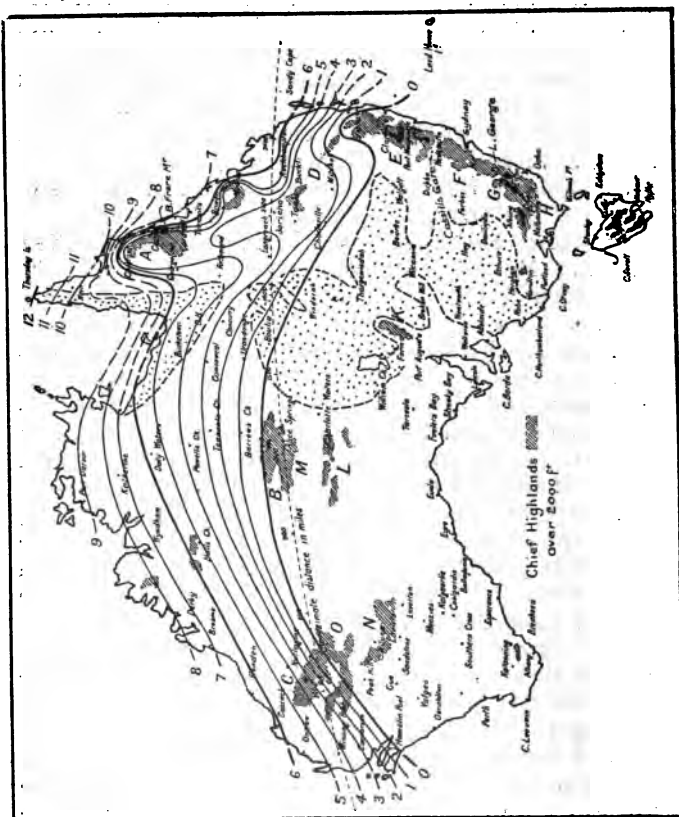


Fig. 3.

TOPOGRAPHY AND GRADES OF DISCOMFORT.

The figures show the number of months which have an average wet bulb over 70 F.

Ranges over 4000 feet are black; Chief Lowlands (under 500 feet) are dotted.

- A Atherton Plateau.
- B Macdonnell.
- C Hamersley Range.
- D Darling Downs.
- E New England.
- F Blue Mountains.
- G Kosciusko.
- H Bogong.
- I Flinders Range.
- L Musgrave.
- N Wiluna Highlands.

Wollondilly, point to the same kind of earth movement. From Sydney to Adelaide a constant succession of north-south fault planes is crossed, some being quite obvious while others are still conjectural. Among these are samples at Kurrajong, Lake Bathurst, Lake George, Upper Murrumbidgee, (Upper Murray?), Omeo, (Howitt scarp?), Seymour, Bacchus Marsh and Grampians. Possibly, also, the Flinders Range, with its recurrent earth-slips, is also one of the same series.

There is no doubt that this block-faulting has greatly hindered communication and settlement. The river valleys are mostly juvenile in character, with steep timber-clad slopes. Their outlets are so rugged that in many places traffic out of the upper valleys keeps away from them—as at Naas, near Canberra, or Glen Wills, near Omeo—and passes over the divides. It is not the mere elevation which hinders settlement—for there are several towns on the more homogeneous New England plateau—and none in the *dissected* Victorian highlands of about equal height and extent.

We may now glance at the environment of some of the units which help to form the divide in greater detail. (See Fig. 3.)

The Atherton Plateau has some 12,000 square miles exceeding 2000 ft. elevation, and it rises to 5400 ft. in the east in Mt. Bartle Frere. Cairns lies at the foot of the seaward scarp, and is the port of entry. The Barron River has cut a deep cleft in the edge of the plateau, and the gorge heads in the famous Barron Falls (600 ft. high), which already attract many tourists. In the wetter eastern portion, bathed by rains due to the constant trade winds, is a dense tropical scrub. The plateau is dotted with dairy-farms, as at Herberton, and is also rich in mineral wealth, especially tin, lead, copper and silver.

The next important highland areas are the Darling Downs, in the south of Queensland. They

are largely covered with volcanic soils, and give rise to very good farms in consequence. Some 1000 square miles exceed 2000 ft. in elevation. Wheat, fruit and stock are all important industries. The northern extension of the former crop is largely rendered possible by the elevation.

The New England plateau contains 23,500 square miles of elevated country over 2000 ft. Along the north runs the basalt ridge of the Macpherson Range. The main portion of the plateau consists, however, of granite rising to 5000 ft. near Armidale, but about 3000 ft. high in the central portion which is drained by the tributaries of the Macleay River. Magnificent falls, which may be used electrically in the future, mark where the rivers plunge down to the coast on the eastern side. On the west the descent is gentle, and the slopes are rich in tin and other minerals. (See Fig. 2.)

The Cassilis gap is the only low-level gap between Toowoomba (Q.) and Kilmore, near Melbourne; but higher gaps break up the highlands into distinct units. Thus the Blue Mountain plateau contains about 15,000 square miles of elevated territory over 2000 ft., and extends between Cassilis and Lake George. It is very much lower than New England. On the east it is bounded by the recent monoclinal fold already described, but slopes gently to the west, merging with the inland plains. Roads and railways traverse the western portion without much difficulty, and numerous small mining and agricultural towns are spread over its surface.

South of Lake George the Highlands exhibit more complexity. The region is characterised by numerous crustal breaks, which run north and south, and have naturally been occupied by the present rivers. Slight earthquakes are still numerous in this region, especially along the course of the Upper Murrumbidgee and Upper Snowy rivers. The latter "rift" has divided the Highlands into two. On the east is the Gourock-Tindery Range, rising to 5000 ft., with its eastern slopes descending steeply

into the Pacific; to the west of the rift is the Kosciusko massif, rising to 7300 ft., in Kosciusko. The mountain country is too cold and rough for industries, except cattle-rearing; but in the valleys sheep-rearing and farming are carried on as well. The whole region is known as the Monaro, for which Cooma is a natural centre.

The Federal Capital territory affords a good example of the varied factors which determine settlement. Political considerations decided that it would be in New South Wales, and not less than 100 miles from Sydney. Albury, Tumut, Orange, Lyndhurst, Armidale, Bathurst, Lake George, Bombala, and Dalgety were all suggested and examined. Finally the claims of the site near Lake George (Yass-Canberra) won by a small majority. (See Fig. 2.)

The statistical centre of the population of the Commonwealth has been determined to be near Hillston, on the Lachlan, and it is likely to remain thereabouts for many years. One might prophesy "after the event" and imagine what was certainly not the case that the authorities ruled a line from the population centre to Jervis Bay (which is the nearest port suitable for Federal purposes). Where the line cut the largest river (the Murrumbidgee) at a suitable elevation (such as 1800 ft.) there was to be established the Federal Territory. At any rate, Canberra, lying at the northern end of the Monaro rift and close to Lake George, fulfils all these conditions. To the south-west the territory contains Mt. Bimberi, a prolongation of the Kosciusko massif, which rises to 6264 ft., and so is the third highest mountain area in Australia.

The remaining portion of the eastern Highlands is in Victoria, and comprises about 8000 square miles, or half the area of the Monaro region. It is a country of high, bare plateaux culminating in Mt. Bogong, 6509 ft. The edges of the Highlands have been deeply dissected by rivers, which were probably assisted by fault planes at the Omeo gate

and elsewhere. Only one main road traverses it (*via* Omeo) and no railways. The whole region is almost uninhabited, and accordingly appears blank in the map given in fig. 1.

In Tasmania we have a relic of tertiary Australia which has been preserved amid the general subsidence round our coasts. It is the most mountainous of all the States, for about 5000 square miles, or 17 per cent. of the State, exceeds 2000ft. in elevation. It is natural that the chief settlement should be in the east, where the country is less rugged, especially in the fertile valleys of the Tamar and the Derwent. But several factors other than the topographic have controlled settlement. The south-west is very little known, and the county of Arthur is without one inhabitant. In the north-west, however, the country is almost equally rugged, but the extraordinarily rich mineral deposits—copper at Lyell, tin at Bischoff, and lead at Zeehan—have led to considerable settlement. Probably the heavy rainfall and westerly gales constitute greater drawbacks than the topography in the west of Tasmania.

The most direct relation in all the States between topography and industry is exhibited in the central plateau in connection with the drainage of the Great Lake. Here is the chief hydro-electric plant in Australia. The Ouse flows just to the west of the Great Lake, but at a much lower level. A tributary, the Shannon, flows out of the lake, and is 1250ft. higher than the Ouse at Waddamanna, only $3\frac{1}{2}$ miles away. A canal has therefore been cut to lead the Shannon water to the top of the Ouse gorge. Some 10,000 horse power is generated here and transmitted by a high-tension cable to Hobart, where it is used for various metallurgical purposes.

As regards the rest of Australia, there is hardly any settled district with an elevation over 2000ft. Small areas occur near Daylesford and Ararat, in Victoria; and near Coonabarabran and Narrabri, in New South Wales; but they have generally been left for development in the future, and neither aid nor hinder present settlement to any notable degree.

PART V.

Dry Highlands and the Lowlands.

As regards outlying regions, probably the most interesting is the Flinders Range. Apart from a few copper mines and pastoral holdings, the more elevated northern portion is still unsettled. It rises to 3470 feet. in Benbonyathe, and forms a striking barrier separating Lake Frome from Lake Eyre. Yet there is a good reason to believe that this important range is of very recent growth, so recent that there are still traces of the old river drainage which flowed south to the sea from Lake Frome. This is especially shown by the southern prolongation of the Flinders Range. Step faults, juvenile valleys, upland river gravels, and serious earthquake shocks, characterise the ranges behind Adelaide, and are all hall-marks of a land surface still struggling for equilibrium.

It is often stated that if Australia had high ranges in the centre of the continent, an abundant rainfall and a well-watered interior would result. Since this region lies in the centre of the trade wind belt, it is very doubtful if such hypothetical mountains would be of much benefit. The Andes, in similar latitudes, rise to 20,000ft., and their slopes do not receive much more than 10 inches per year. Moreover, the Macdonnell and Musgrave Ranges both rise to 4000ft. without having any very noticeable effect on the rainfall (see fig. 2). There are, perhaps, 20,000 square miles over 2000ft. in the northern of these two highlands, and about 6000 square miles in the southern highlands.

The peculiar character of the rivers, which seem to be of the antecedent type, makes them of special value in the arid region. The Finke, Palmer and other streams rise north of the main ranges, and flow *through* the latter at the foot of the deep, narrow gorges. Here deep pools remain throughout the year, in spite of an evaporation of 10ft. or more

a year; and these gorges will lend themselves admirably to the construction of dams for the conserving of water in the future.

In Western Australia the only notable elevated regions are far from the settled districts. The Fortescue River flows along the northern scarp of the Hammersley Range. This rises to 4000ft. in Mt. Bruce, and the highland region comprises, perhaps, 20,000 square miles. This tropical plateau would be of great value, if the other factors were favourable, but they are not. The rainfall is almost the most erratic in Australia, and is low (12 inches at best). Moreover, this region experiences almost the greatest heat in the continent during summer. Other regions over 2000ft. in West Australia of considerable extent but of no present importance occur south of Wiluna, and in the Kimberley region.

The Lowland Belt.—Having dealt with the highlands, the lowlands now require attention. These extend along both sides of longitude 140deg., and lie between the eastern highlands and the great Western Peneplain. Several troughs are here linked together by low gaps; but these troughs have somewhat different origins, and give rise to a somewhat different environment. (See Fig. 3.)

Probably the Gulf of Carpentaria, and the smaller gulfs near Adelaide, are due to the drowning of continental masses in connection with the same crustal buckling which has produced the main ranges and festoon islands of Australasia. But in the Gulf of Carpentaria elevation seems to have been prominent in the last phase, for we have very shallow seas and tertiary sediments round the coast. The coastal plain watered by the Flinders and other rivers is almost the most extensive in Australia, but it is one of the least attractive. There are no good harbours, and the alluvial is largely covered with a teatree or spindly eucalypt scrub. As the uplands are approached pastoral holdings become more numerous, and the hill-slopes are divided into valuable properties.

The second unit in the lowland belt is oval in shape, extending from the lower slopes east of the Macdonnells to the Barwon river, a distance of nearly 1000 miles (see fig. 3). It is bounded on the north by the Barkly Tableland and Kynuna Uplands, and on the south by the Flinders and Barrier Ranges and the Cobar Peneplain. All this huge area of 300,000 square miles is below 500ft. in elevation, and almost all of it is watered by the great Artesian Basin. The rainfall varies from 5 to 15 inches, and pastoral occupation is largely possible owing to the numerous artesian bores, which tap the subterranean supplies at varying depths up to 5000ft.

The third unit lies still further south, and constitutes the lower portions of the Murray Basin. It extends between the Barrier Range and the Victorian Highlands. In the east the plains consist largely of river alluvial, but in the south-west is a large area of elevated marine sediments, largely limestone. The former moiety is perhaps the finest sheep-breeding region in the world. It has a moderate rainfall (10-20 inches), and is watered by many fine rivers. Much of the wool and stores for the stations is carried by steamers on the Murray and Darling.

The western portion was largely covered with a thick, stunted eucalyptus growth, known as the Mallee. Of late much of this region is found to be admirably adapted for wheat, and the Mallee desert is gradually giving place (through tillage and super-phosphate) to prosperous wheat farms. The regions of white sand-dunes and the heavy clay areas still defy the farmer; but the chief factor, the rainfall, is found to be just sufficient in most places.

The fourth unit of the Lowland Belt consists of the rift valley which extends from near Lake Eyre along Lake Torrens, and down the gulf to Kangaroo Island. There is little doubt that in this region the lowland is bounded by actual fault scarps, and that the lakes and gulfs are directly due to the foundering of the earth crusts in this region. Hence we get the abrupt rise of the Mount Lofty Ranges

behind Adelaide, and the succession of ridges trending north and south which are so characteristic of the region east of Port Augusta. Presumably the easy grade along the coast from Port Augusta to Adelaide will some day be utilised by the Interstate Railway. At present it climbs inland to Petersburg, defying topography here as in many other Australian routes.

PART VI.

Climatic Factor.

Australia covers nearly three million square miles of the earth's surface, and extends from 10 degrees south to 44 degrees south latitude. Hence it is obvious that the climate in Australia is as complex as in any other of the continents; and, in fact, there are many climates.

Let us examine the conditions in five representative districts—Darwin (N. T.), Cairns (Q.), Perth (W. A.), Melbourne (Vic.), and William Creek (S. A.). The last is a few miles west of Lake Eyre.

The main elements of temperature and rainfall are shown in fig. 4. Darwin and Cairns, from their temperatures, are typical tropical localities. Perth and Melbourne resemble Mediterranean towns. William Creek has a true continental climate—very hot in summer and fairly cool in winter. For comparison, the temperatures of Calcutta and London are added, which show that Australian climates are all much hotter than those of the British Isles, and places like Darwin in the north are hotter than Calcutta.

The most useful climatic divisions are, however, based on the season and type of rainfall. Darwin has all its rainfall in summer during the period October to April; but during almost all the rest of the year, north Australia suffers from absolute drought. On the other hand, South-west Australia, as at Perth, has almost all its rain in winter (from April to October), and has a summer period of drought. Hence the chief meteorological boundary is the line running from North-west Cape to Sydney,

which separates the regions of summer rain from those of winter rain. It is shown by the line AB in fig. 5.

North of this line the chief rainfall is associated with tropical cyclones and tropical troughs. These systems belong to the low pressure belt, which always accompanies the sun in his march from tropic to tropic. In our summer, the rain belt swings south and favours Northern Australia, for the sun is far south over the Tropic of Capricorn on 21st December.

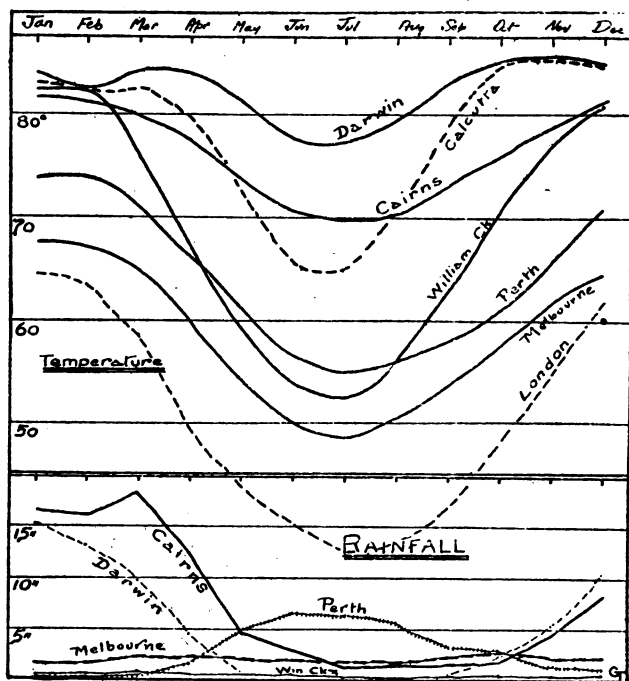


FIG. 4.

TEMPERATURE AND RAINFALL.

In Five Type Regions in Australia.

(Calcutta and London added for comparison.)

South of the line AB, the rainfall is largely due to a similar low-pressure belt which migrates up from Antarctic regions in our winter, thus following the sun as he moves north to the Tropic of Cancer. Antarctic cyclones and depressions during winter pass regularly along our southern coasts, and give steady rains throughout the colder months.

In the interior the dominant weather factor is the high pressure belt. This always covers some portion of the continent, and here the air is slowly descending and being warmed. Hence it absorbs moisture rather than parts with it, and so these regions are normally dry. Moreover, on the northern side of the high pressure belt blow the permanent south-east trade winds. They blow from land to sea, and from cooler to hotter regions, and both these factors make for drought.

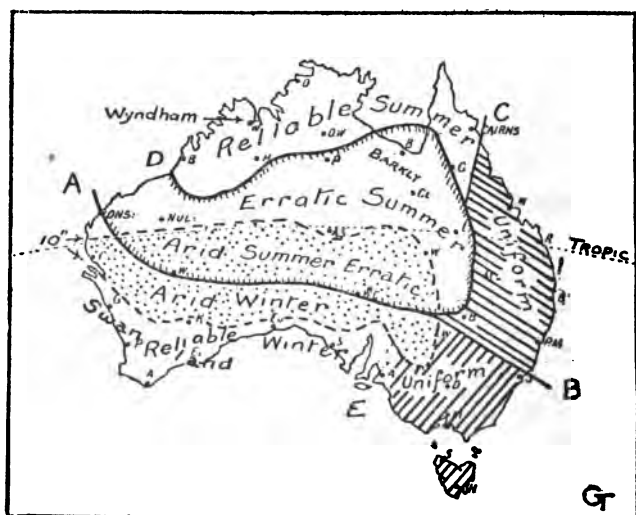


FIG. 5.

RAIN REGIONS.

Classified according to Amount, Season and Reliability.

On the east coast, however, the trade winds are on-shore winds, and especially in N. Queensland, they drop great quantities of rain as they become cooled through rising over the coastal ranges. Moreover, a special series of cyclones is found along the east coast, especially in autumn, and these also help to fill in the gap between the summer influences and the winter influences. Hence, from Cairns (Q.), south to Mt. Gambier (S.A.) (at E in fig. 5), the country is favoured by rain-bringing influences throughout the year, except perhaps in spring. This portion of the continent will always be the most prosperous segment of our Commonwealth.

In the south-west the rainfall, though low, and confined to winter, is very reliable, and exactly suits the requirements of wheat culture.

Perhaps too much stress has been laid on the *total amount* of the annual rainfall, for the *certainty* with which the average rainfall may be expected is of equal importance to the settler. For instance, Roeburne (W. A.), Northam (W. A.), Tennants Creek (N. T.), and Cobar (N. S. W.), each have 15 inches per year, but there is little similarity in the value of the falls.

The Roeburne region is marked by the most unreliable rainfall in Australia. In 1891 it received only 0.13 inch, while in 1900 there fell 42 inches. Tennants Creek has a *totally dry* cool period from April to October. Cobar receives its rainfall uniformly through the year, and there is barely enough in the wheat-growing season for the growth of dry-farming wheat. Northam, near Perth, receives its 15 inches entirely in the winter months, and is consequently much more suited for wheat and close settlement than any of the other three localities.

The heavy line (A to D) in fig. 5 encloses the region where rainfalls are very unreliable. Here any locality will probably vary 30 per cent. from the normal amount, and may, of course, vary to a much greater degree. The average variability rises to 50 per cent. near the west coast and in the centre of the continent. (See Footnote, page 334.)

It has been suggested by some optimists that summer wheats and Indian pulses, etc., would do well in the Northern Territory on the Barkly Tableland, for they say that the average temperature and rainfall are not unfavourable. But the rainfall is not reliable, and this probably explains why this region is less promising than the Victoria River country in the same latitude further west.

Hence, as regards future prospects of close settlement, we can assign approximate values as follows to the regions shown in fig. 5.

Order	Locality	Rain Type	Economics
1	South-east region	Uniform, but with winter maximum	Timber, dairies, farming, sheep, wheat, vines
2	Queensland region	Uniform, but with summer maximum	Farms, sheep, cattle, also timber, dairies, sugar on coast
3	South-west region	Reliable winter rainfall	Wheat, sheep, fruit, vines, some timber
4	North coast	Reliable summer rainfall	Cattle, some sheep
5	South central	Arid, some winter rain	Sheep largely
6	North central	Erratic summer rain	Cattle and sheep
7	Central	Arid, with erratic summer rain	Unoccupied except for a few sheep and cattle stations

Of these regions, 1, 2, and 3 are largely suited for closer settlement; 4, 5, and 6 will probably all be found suitable for grazing. Little can be expected from region 7; its rainfall is too unreliable.

PART VII.

White Settlement In the Tropics.

The ardent White Australian, first of all, usually denies that we have any real tropical region in Australia; secondly, he dwells on the unrivalled possibilities of our northern lands; and, thirdly, he maintains that there is nothing to prevent close settlement in a large part of Australia north of the Tropic of Capricorn.

Unfortunately, comparative climatology gives little support to any of these contentions. I have already shown that there are no highlands in the hotter regions (except the Atherton Plateau), which are worth considering as cool areas for close settlement. If one studies the actual isotherms in the Tropics, it is found that northern Australia contains in the Wyndham region (average, 84.4 degrees) the hottest "wet summer" climate in the world. At any rate, I can find no places except around Timbuktu (84 degrees), Massowah (86 degrees), and Tinnivelli (84 degrees) which rival it; and of these only the latter has a rainfall resembling that at Wyndham. Modern data show that the "heat equator" *passes through* Wyndham and Darwin; and, indeed, Northern Australia is one of the hottest tropical regions.

The elusive element of comfort enters very largely into the question of tropical settlement. It is determined physically by the conditions of heat and moisture, and in so far as a single instrument may record comfort, this is best indicated by the wet-bulb thermometer. The readings of this instrument depend on the humidity and on the temperature, and a high wet-bulb reading means that the weather is *muggy and hot*, the most disagreeable of all types to the Anglo-Saxon. On the other hand, a scorching, *dry* day is usually not nearly so oppressive, while a cool, damp day merely recalls the characteristic weather of our homeland. In neither of these latter conditions is the wet-bulb reading of such a high order.

As to the standards of comfort, as measured by the wet-bulb, there is considerable difference of opinion. There is a general consensus that an average monthly record of 70 or 75 degrees F. wet-bulb marks the upward limit of comfort, and I have adopted this in the scale of discomfort given below. (See also Fig. 3.)

Scale of Discomfort.

Based on average monthly Wet Bulb data.

Grade of Discomfort	Locality.	No. of Months per Year.
1 Most comfortable. (45 deg. to 50 deg. F. wet bulb) No uncomfortable days per month.	Wellington, N.Z.	8
	Coolgardie, W.A.	7
	Hobart, Tasmania†	6
	Melbourne, Vic.	6
	San Francisco	6
	Alice Springs, N.T.	5
	Sydney, N.S.W.	5
	Perth, W.A.	5
	London†	5
	Cairo	4
	New York†	4
2. Sometimes uncomfortable. (55°—65° wet bulb) One to 5 uncomfortable days per month*	Brisbane, Q.	3
	Perth, W.A.	7
	Sydney, N.S.W.	7
	San Francisco	6
	Melbourne, Vic.	6
	Alice Springs, N.T.	6
	Coolgardie, W.A.	5
	Nullagine, W.A.	5
	Wellington, N.Z.	4
	Brisbane, Q.	4
	Townsville, Q.	3
	Wyndham, W.A.	3
	New York	3
	Cairo	3
	London	3
	Calcutta	3
	Hobart, Tasmania†	3
3. Often uncomfortable. (Wet bulb 65°—75°) 5 to 15 uncomfortable days per month*	Batavia	10
	Nullagine, W.A.	7
	Thursday Island (Q.)	6
	Darwin, N.T.	6
	Madras	6
	Townsville, Q.	6
	Brisbane, Q.	5
	Cairo	5
	Calcutta	3
	Wyndham, W.A.	3
	New York	2
	Alice Springs, N.T.	1

4. Almost continuously uncomfortable.	Sierra Leone.	12
Average wet bulb each month above 75°	Darwin, N.T.	6
	Wyndham, W.A.	6
	Madras	6
	Thursday Island (Q.)	6
	Calcutta	6
	Townsville, Q.	3
	Batavia	2

† Some months below 45°.

* Places with a large number of "uncomfortable" months (e.g., Batavia) have naturally a larger number of unpleasant days *per month* than those with few uncomfortable months; i.e., in Class 3 Batavia will have about 150 uncomfortable days in 10 months, while Alice Springs will have perhaps only 5 days in its single month.

Whether the absolute values be adopted or not, the relative positions of the various localities in the scale have a real climatological meaning. I must refer readers to papers published elsewhere (see footnote) for a full discussion of the climatic factors controlling settlement, but several points can be gathered from this table.

New Zealand ranks highest in our part of the world as a comfortable climate for Englishmen, with Tasmania a close second. Each of these is probably more comfortable than London, for they have fewer raw days. Melbourne is the best of the mainland capitals, followed closely by Perth, Adelaide, and Sydney. Somewhat unexpected, perhaps, is the high position of the inland towns, e.g., Coolgardie, Alice Springs, and others similarly situated. They have dry, bracing climates, and seem to be admirably suited to whites for the greater part of the year. Unfortunately, lack of rainfall prevents

The Control of Settlement by Humidity and Temperature, by Griffith Taylor, D.Sc., Meteorological Bulletin 14, Melbourne, 1916.

The Settlement of Tropical Australia, by Griffith Taylor, D.Sc., Royal Society Queensland. Brisbane, 1918.

Factors Influencing Settlement, by Griffith Taylor, D.Sc., Commonwealth Year Book, Melbourne, 1918.

The Australian Environment, especially as Controlled by Rainfall, by Griffith Taylor, D.Sc., Melbourne. Science and Industry Memoir, 1918.

Text Book of Australian Meteorology, by Griffith Taylor, D.Sc., Oxford University Press, 1920.

agriculture and close settlement in all but the merest southern fringe of these areas.

It is when we approach the northern coastal regions that the picture becomes less hopeful. Here the rainfall is suitable for many tropical products; and the soil, though generally poor in the north, is fertile enough in many of the valleys to support thousands of agriculturists. But the rainfall occurs almost wholly in summer, so that as soon as we pass north of the Tropic of Capricorn the climate rapidly deteriorates.

Many people have anathematised the oppressive days in February, which are so disagreeable a feature of Sydney. Yet the latter city has no single month with an average approaching 70 degrees wet-bulb; for January and February barely reach 65 degrees F. Compare this with Townsville, which has five months of such oppressive weather (over 70 degrees), or with Cooktown, which has ten, and Thursday Island, which suffers all the year round. (See the lines across Fig. 3.)

Where steady winds blow, these figures give, perhaps, too unfavourable a picture; but there is no doubt that our tropical coastlands have a distinctly unattractive climate for many months of the year.

There is little to choose between the climates of our tropics and those of other lands, where no close white settlement has been thought to be possible. Comparing rainfall and temperature records, it is easy to show that our north-west coast, near Broome, closely resembles the mouth of the Congo. The Wyndham region is only paralleled by the Tinneveli region south of Madras. Darwin has a "homocline" in Cuttack, on the Bay of Bengal; and Townsville has not very different records from Calcutta.

	Temperature			Rainfall		
	Average	Hottest Month	Coldest Month	Average	Wettest Month	Driest Month
Townsville	78.0 degrees	82.0 degrees	66.0	49 inches	11	0
Calcutta	78.0	82.0	65.0	60	12	0

In the interior, conditions are more promising as regards comfort. Carnarvon and Wiluna, in West Australia, are akin to German South-west Africa (where similar pastoral pursuits obtain), while Alice Springs resembles Southern Algeria. None of these regions can ever, I fear, support a large white population.

Perhaps in Brazil is the closest approach to the conditions affecting our white settlers in the tropical and littoral regions. But here the Germans have only colonised the southern states, which resemble Grafton, in N.S. Wales, and are therefore not tropical. The Italians are developing the Brazilian "Brisbane," and only the Spanish touch the cooler portions of the tropical territories. Hence, our white sugar growers around Cairns and Mourilyan seem to be the advance guard of the farmer in the tropics.

Two more points must be dwelt on briefly. The vegetation of northern Australia is not the luxuriant jungle which most people associate with the Tropics. With very few exceptions (which are confined almost wholly to the East Queensland coast), the dominant flora differs little from that in southern Australia. A scattered eucalypt bush is characteristic there, as in most of the rest of Australia. This is due to the long winter drought, which extends over six months each year in the north, and absolutely prevents the growth of tropical jungle. Moreover, speaking generally, our tropical soils do not result from the breaking-down of basic lavas or other formations which give good soils, but are formed from the weathering of sandstones and limestones, which are not particularly rich in plant foods.

On the other hand, our tropics are remarkably free from tropical disease. This is no doubt largely due to the absence of a native population, and, apart from some malaria, which is decreasing in virulence, there is nothing resembling the scourges of other tropical lands.

I have laid little stress in this article on mining, and for this reason—it certainly has led to isolated communities (as at Coolgardie, Broken Hill, etc.), but only rarely gives rise to real close settlement. Few people realise that less than 2 per cent. of our population are actively engaged in mining, and, as a result, only about 120,000 people are living in regions which would otherwise be practically uninhabited. Outside Queensland, none of the tropical mines are very flourishing, and there are less than 500 miners† in the whole of the Territory, in spite of continuous Government assistance. Moreover, all our important coal deposits occur in areas capable of agriculture, and they will merely intensify settlement in regions which are certain to become well populated.

As regards the future, it is possible, as time goes on, that the climate of the hot coastal regions will have less effect on the energy of the settlers. In France, the northerners are said to be moving south, and tending to displace the Provençals, who cross to Algeria. Here the French Southerners are slowly displacing the Arabs. If this be true, we may hope to see some such migrations to warmer regions in Australia. But it is a matter of centuries, and who can say that we shall be left in peace for this experiment in colonisation.

PART VIII.

Conclusion.

Of all the continents, Australia is perhaps the least favoured by nature. Africa and Asia have larger arid regions, but so also have they larger fertile regions. No other continent has so great a proportion dominated by the dessicating trade winds. This indicates that a very large extent, possibly three-quarters, must always be devoted to grazing. Probably in time almost the whole of the interior will be found to be capable of supporting sheep and cattle; but there is no reason to suppose that it will support a close white settlement. Nor

†In 1917 white miners 200, Chinese 280.

are the indications hopeful as regards the settlement of the northern coastlands. There are only ten farmers in the Territory, as the result of all the inducements offered to prospective settlers.

As regards the east and south, conditions are very different. Wherever there are railways, the population has spread, and we can confidently expect that a large population will occupy much of the regions receiving over 20 inches of rainfall. In U.S.A. this isohyet is the chief limiting factor in settlement, and bounds the region occupied by more than six people to the square mile.

The great coal belt from Fingal (Tas.), through Morwell (Vic.), Sydney (N.S.W.), Ipswich, Dawson, and Clermont (Q.), will determine the closest settlement, which near Sydney, will possibly take the form of a solid block of towns from Newcastle to Bulli. A hundred years hence, the population map will differ in degree, but not much in character from that given in fig. 1.

It is our obvious duty to make the most of our northern regions. As a whole, they are only suited to a pastoral occupation, and we should develop them by new railways, by conserving water, by sinking artesian wells, and by facilitating freezing works and oversea transport.

Personally, I doubt if our northern coastlands will tempt the invader of the future. He will strike for the eastern regions, with their coal mines and great possibilities for close settlement. It behoves us, then, to strengthen our main defences, especially in the air and on the sea, and to rule out the settlement of the Northern Territory and northern West Australia, as a factor in defence.

CHAPTER IX.

LAND SETTLEMENT AND LEGISLATION.

By H. Heaton.

The key to the first century of Australian history is the land, its use and tenure. By the attraction of our vast, empty spaces, population has, in great part, been drawn here; the produce of the soil has helped more and more to feed crowded Europe; droughts, floods, pests, diseases, and transit problems have puzzled the wits of our scientists and engineers. The overgrown capital cities have lived partly by serving, partly by exploiting, the rural worker, depressed when misfortune befel him, prosperous when all went well "out-back." Finally, the devising of satisfactory land laws has confronted our Governments with their most vital task; and, whatever may be the future of its industry and commerce, the real progress of Australia will still depend ultimately on the man on the land.

The first aim of this chapter is to describe the manner in which the land has come to its present usages, and the chief problems which still confront the producer. Having done this, we can then pass on to considerations of land tenure and legislation, and see how, and with what success, land laws have endeavoured to create a flourishing and progressive rural society.

The Pastoral Age.

When the first settlement was made in 1788, Governor Phillip and his masters in Downing Street had no idea of the size of this new colony, and no policy for its development. Australia was a lump of land, area unknown, to one particular point of which undesirables were to be sent for the reform of the convict and the relief of the old country.

But, since this prison settlement was so far from European sources of supply, it was necessary that it should become as self-sufficing as possible, so far as foodstuffs, at least, were concerned. Hence, live stock was obtained, and government or private enterprise soon converted the area around Sydney into a more or less successful mixed farm. Here the official policy stopped. So long as the land could keep pace with the wants of the settlement, little more was expected or desired.

This conservative policy left the initiative to private persons, and such initiative soon manifested itself. Clergy, such as Marsden the second chaplain, and officers such as McArthur, spent their spare time on the land which they had secured, and laid the foundation of the pastoral industry. English manufacturers in 1803 voted McArthur's specimens of merino equal in quality to the best Spanish. Six years later 245 lb. of wool were exported from Sydney, and in 1848 there were nearly 15,000,000 sheep in the continent, in addition to 2,000,000 cattle. For half a century after McArthur's trip to England, Australian development depended entirely on the pastoral industry. Wool was king.

Many factors contributed towards this supremacy. In spite of the steady stream of immigration, forced or free, labour was far too scarce to allow much land to be tilled. Further, it is questionable whether wheat would have found a profitable market in Europe. Wool, on the other hand, was wanted in unlimited quantities for the new power looms of Yorkshire. It was easily produced; the climate was so suitable that sheds were not needed for the flocks; the food supply was adequate, and the supply of labour required small, except at shearing time.

One thing more was needed—space for expansion. So long as activity was limited to the nineteen counties of the settled area between the coast and the Blue Mountains, there was little room for big flocks. The available land here was quickly appropriated, and could only be secured by newcomers at high prices. The mountains were the bar to pastoral

progress. What lay beyond—north, west or south—no one knew. Hence the economic importance of the journeys of the inland explorers cannot be overestimated, and those travels of Blaxland, Wentworth, Oxley, and Sturt, which are the bane of the Australian schoolboy's existence, assume a real interest when we regard them as preludes to pastoral migration. Blaxland crossed the mountains and penetrated as far as the Bathurst Plains in 1813, and from that date onward the movement into the backblocks went on incessantly. The track of each explorer soon became a stock route, trodden by thousands of sheep. News of the vast spaces soon reached England, and Bigge's report of 1822-3 gave a glowing account of the immense areas awaiting population. Then began the stream of immigration of intending pastoralists, which reinforced the flow of migrants from the settled areas of New South Wales and Van Diemen's Land. The newcomers were often men of good birth or education, young men endowed with wealth and a spirit of adventure, who came possibly to make fortunes—certainly to "see life." Having acquired their flocks and herds, and secured the necessary supply of labour, they went out, along some already recognised route, up some river, or on a new track blazed by themselves, in search of suitable pasturage. In this way N.S.W. was overrun by 1840; Victoria was invaded from the north and from Tasmania after 1836; Queensland took her pastoral pioneers from N.S.W. during the forties, and, in turn, gave the first settlers to the Northern Territory in the seventies. Sturt's trip down the Murray in 1830, and the settlement of Adelaide in 1836, drew attention to South Australia, and by 1848 there were over 1,000,000 sheep in that State. Only Western Australia, cursed by its abortive start in 1829, lagged behind.

Early Obstacles.

The pastoral occupation of the continent was carried out in face of great difficulties, dangers, and

inconveniences. Surveys of the land, roads, railways, climatic data, all were non-existent. Floods, droughts, and fires had to be faced. Labour was scarce on the out-back stations, and supplies of food, etc., might be held up by any one of a host of misfortunes. The blacks received every grade of treatment, and frequently avenged themselves on their white neighbours. The bushranger and escaped convict were only a little less dangerous than the aboriginal. Even should the squatter escape violence at the hand of man or nature, his troubles were still many. Stock diseases were little understood, passed easily from flock to flock, and were difficult to eradicate. Pests, whether native or imported, defied all attempts at extirpation. Finance might also be as great a source of worry as the pests. Few men succeeded in keeping out of the grip of the banks, and as the prevailing rate of interest was at least 10 per cent., the grip was often a strangle-hold. Finally, the tenure of a "run" was insecure until 1847, and so it was impossible to build a permanent, comfortable home. Under the weight of such dangers and discomforts, many men broke down, and their runs, won by a life-time of hard labour out of the virgin bush, passed into the hands of others; the first squatter made the run, the second made the fortune. Still, many more succeeded. Their flocks multiplied, their bank balances grew steadily, and eventually they were able to place the station in the hands of a manager, or sell out, and go to live amidst the social comforts and political excitements of the capital, or return "Home" to England.

Those who believe with Marx in the economic interpretation of history will find much support in Australian conditions before the gold rush. Wool was the one great product, and the squatter the outstanding figure of the continent. Everything bowed to the sheep and its owner, and life was as the pastoralist made it. Towns grew up on sites most convenient for collecting the wool or supplying the wants of the stations; finance and commerce

were completely dependent upon the annual clip; booms and depressions found their source in speculations in land or stock, and the employment of almost the whole population was determined by the requirements of the staple industry. Rural and urban society, religious and moral conditions, were under the same influence, whilst the squatter became more and more the dominant figure in politics, influencing the opinion of Downing-street, and finally evicting the autocratic governors.

Such were the conditions in 1850. The whole mainland east of a line from Adelaide to Brisbane was one huge sheep station. So extreme was the concentration on wool that this area did not grow sufficient corn to feed itself, and imported largely from America and Tasmania. In New South Wales, out of nearly 6,000,000 acres alienated from the Crown, only 164,000 were under cultivation in 1848. Tasmania alone stood out as a nicely-balanced producer. The progress of the island had been steady, and although sheep had received much attention, agriculture had not been neglected. Hence, in 1848, Tasmania possessed 1,750,000 sheep, had 170,000 acres under cultivation, and was exporting a great variety of produce to Sydney, Melbourne, Mauritius, and elsewhere.

Change and Progress.

The gold discoveries caused ten years' dislocation, and brought permanent changes into the rural life of the south-eastern States. For a time the scarcity of labour caused a reduction in the scope of pastoral operations, a reduction which the importation of Chinese for station work did little to check. The scarcity disappeared in time, and from 1860 onwards the wool output mounted rapidly each decade. Droughts, pests, and other troubles had still to be faced. New land laws made the squatter their target, and succeeded in driving him off some of the fattest lands. The growth of the Australian Workers' Union knit shearers and station employees into the strongest trade union in the continent, to

whose demands the squatters have often been compelled to bow. Yet, in spite of all, the flocks of the continent grew from 20,000,000 in 1860 to 93,000,000 in 1911, and the entry of the United States, Germany and Japan into the industrial field promised the Australian wool producer an ever-growing market for as many fleeces as he could provide. So important has the clip become that instead of being sent to London for sale, it now comes under the auctioneers' hammer in Australia, and before the war buyers from the United Kingdom, Germany, France and the United States came to the sales at Sydney, Melbourne, Geelong and elsewhere to make their bids. In 1913 nearly 90 per cent. of the year's wool was sold before export.

The pastoral progress appears greater when we remember that since the eighties the monopoly of wool has been broken. For forty years intermittent attempts had been made to discover some means by which the flesh of sheep and cattle could be given exportable value, and in 1882 refrigeration had so far advanced that cargoes of frozen meat from Australia and New Zealand were placed on the London market. The success of this enterprise opened a new chapter in pastoral history, especially for Queensland, West Australia, and the Northern Territory. Since the beginning of the present century progress has been very rapid, and in view of the great world scarcity of cattle to-day the expansion of the industry will for many years be limited only by the capacity of freezing works and the shipping tonnage available.

The Growth of Cultivation.

Up to 1850 Australia had all her eggs in one basket, and the most significant development of the last 60 years has been the introduction or extension of every variety of cultivation. In 1848 less than 400,000 acres were being tilled; by 1871 the amount had increased to 2,350,000 acres, and by 1916 to nearly 17,000,000. This expansion was due primarily to the rise of wheat farming, which

gradually occupied more and more of the area of New South Wales, South Australia, and Victoria, and pushed the zone of cultivation into regions once regarded as fit only for pasturage.

Wheat, however, was not allowed to monopolise the cultivation of the continent, and each area turned its attention to those products for which its soil and climate fitted it. Queensland utilised its tropical regions for the production of sugar, relying at first on kanaka labour, and later on that of white men. Vines, olives, oranges, lemons, all were given attention in the southern States, catering for the home or overseas market. Tasmania first saw the possibility of an export trade in apples, and although it is patriotic license to declare, as Tasmanians do, that if you push a walking stick into the ground it will produce apples, still, the little island has made much of its suitable conditions to gain a reputation for fruit. Its example has been followed by Victoria and West Australia, and our fruit should certainly find an ever-growing market in Europe and across the Pacific.

Reference must be made to another important branch of primary production—dairying. Here, as with meat and apples, the coming of refrigeration made all the difference between a small industry catering for three million people and a big one seeking favour in foreign markets. Victoria led the way in the eighties and nineties, and dairy herds soon replaced sheep and beef cattle in many districts. Carelessness in methods of production and packing resulted in poor quality and low prices, and although many efforts have been made to remove these defects, the standard of product still leaves much room for improvement if Australia is to hold her own against Denmark and Siberia.

To-day, then, this continent has reached a condition of greater balance in the diversity of her rural production. She is no longer a big sheep run, nor has she gone to the other extreme and become a wheat field. She still depends largely upon her export trade, but that trade is now varied, and with

the possible exception of sugar, she will be able to dispose of all her surplus commodities in the world's markets. The progress made has been the result of importation and acclimatisation. Not one of the crops on which Australian land settlement depends is indigenous. Population, cattle, wheat, vines, etc., all alike are alien. The native flora and fauna, with the exception of the grasses and desert growth, were turned aside by the invading European and their places taken by foreign varieties.

Pests and Problems.

Australia suffers from the defects of its natural virtues, and whilst on the one hand it yields bountiful returns to the producer, on the other it confronts him with big problems and harasses him with worries and pests. The same constant sunshine which frees him from the fear of snow and frost, and speedily ripens his crops, may develop into a blazing heat which shrivels up his grass and dries up his watercourses. The seasonal rains which replenish his acres may become a flood, washing away live stock and destroying human life. The soil which yields such abundant crops of wheat will, unless carefully watched, yield an equal abundance of noxious weeds. The vast spaces on which millions of cattle can freely graze make the periodical examination of the animals more difficult, and thus facilitate the spread of disease. Hence pastoralist and farmer alike have always had before them the prospect of possible disaster, and whilst turning their attention to new and better methods of production, must ever be on guard to avoid, if possible, one of the many blows which Nature strikes at their heads.

The misfortunes of the early settlers, due to raids by the blacks and bushrangers or injury by native animals, are now largely things of the past. But one trouble goes only to give place to another, and every branch of rural production has its pest to-day. Cattle-tick, nodule worms, and the tubercle bacillus alone entail a loss to Queensland of £8,000,000 a year. The ubiquitous blowfly affects sheep at lamb-

ing time and causes a heavy mortality amongst the flocks, whilst footrot may mean lame sheep and lighter fleeces. Rabbits devour vast areas of grass, and weeds choke up arable and pastoral lands alike. The prickly pear, to-day the most formidable weed in Australia, has spread over 20,000,000 acres in Queensland, and is extending its firm sway at the rate of a million acres a year. The wheat-farmer has to face the possibility of rust; should he escape that worry, weevil may develop in his sacks of grain as they lie at the station siding exposed to rain, whilst even if weevil is avoided, swarms of mice may attack the wheat stack and convert a neat stack of 50,000 bags into a shapeless heap. The vigneron dreams of phylloxera, the potato farmer of Irish blight, the orchardist of bitter pit and codlin moth.

Nearly all these pests have been introduced from other lands. Some of them might have been excluded by a rigorous policy of quarantine, and others could have been stamped out had they been dealt with as soon as their presence and serious character were noted. Failing this, each pest spread rapidly, until to-day vast areas are infested. Here and there an individual or a State might take action, only to find all effort fruitless because neighbouring individuals or States were apathetic. Weeds might be cleared from a man's property and yet flourish on the roadside or on some adjacent piece of Crown land. Many cattle diseases are still little understood, in spite of much investigation, and prickly pear is still master in Queensland. If Australia is to be freed from these harmful growths, the land-workers of the continent must make a vigorous concerted offensive under expert leadership. At present, however, the farmer is often too individualistic, too apathetic, too short of labour, or too much infected with the "let-the-Government-do-it" virus, to be able to undertake such an offensive. The government of each State can do much in discovering methods of coping with pests peculiar to one State; but most of the serious pests are spread over three or more States, and have become so large

and complex as to need united Interstate or Federal action on a big scale. In rural industries alone there is enough work to occupy the attention of a Federal Institute of Science and Industry, and should that Institute ever descend from the clouds of political oratory where it still resides, it will be of untold value in marshalling information and conducting big investigations such as the separate States cannot possibly undertake to-day.

Pests are still with us, but questions of production have been more successfully answered during the last thirty years. Of these, two stood out prominently—How was arable land to be given back the strength drained from it by incessant cropping? How was the scarcity of labour to be counteracted? Beyond these arose the mass of problems raised by light rainfalls and the fear of drought, to which we must turn in a moment.

The early wheat-farmers—many of whom were ex-miners—worked for years on extensive lines. The same land was planted year after year with wheat; no manure or fertiliser was used, and hence the natural fertility of the soil was eventually exhausted. The farmers were, therefore, driven to a primitive rotation of alternating fallow and wheat, and although this improved the output, crops were still far below those of earlier days. Under these circumstances, men began to listen more attentively to the exhortations of Mr. Lowrie, of Roseworthy Agricultural College (S.A.), who for years had been vainly urging the use of superphosphates. By the early nineties Lowrie's gospel had gained converts, and has now become the orthodox faith. Farmers discovered that fifty to eighty pounds of "super" to the acre made all the difference between substantial profit and loss, and Victoria to-day puts yearly over 80,000 tons of this fertiliser into her wheat fields. Meanwhile experiments were ascertaining the most suitable crop rotations, whilst the investigations of Farrer and Marshall led to the production of wheats which were more prolific, held the grain in the ear more firmly, and were rust-proof. Much

still remains to be done in improving methods of cultivation and in evolving varieties of grain which will bear heavily in regions of low rainfall. Intensive culture is still scarcely known apart from irrigated areas, even in Victoria. Yet we have almost reached the limit of extensive work, and little further progress can be made except by taking steps to increase the output of every arable acre.

The Labour Supply.

Intensive culture, however, depends largely upon labour supply, and here the farmer has always been in difficulties. Before 1850 labour was scarce, the gold rushes made it scarcer, and the rise of industries, the high wages and the growing attractions of the capitals drew many wage-earners from the soil. Those who stayed behind looked forward to the day when they could acquire land for themselves. Thus even in the quieter months the farmer might be "short-handed," and when the busy season began the deficiency became acute, and could scarcely be remedied even by payment of high wages. These two facts—actual scarcity of labour and high wages—drove the farmer to seek the aid of machinery, and have been responsible for the invention of distinctly Australian machines. The stump-jump plough makes it possible to turn over new land without first extracting all tree stumps and roots; the multi-furrow plough and the twenty-hoed seed drill prepare and sow up to 20 acres in a day. Machinery for harvesting first received attention in 1842, and from a primitive beginning has gradually evolved the stripper-harvester, which strips, threshes, winnows and bags the grain in one operation. In this way labour cost has been reduced and farming on poor land made profitable.

Beyond questions of production lie those of marketing and transit. All wheat is bagged in three-bushel sacks, which are then carted to the nearest station. This journey may be a long one, for the railway system of the continent is still extensive, aiming at supplying new areas rather

than weaving a finer network in settled areas. Further, rural roads still leave much to be desired, and may be described as resembling in quality those of England in the 18th century. Arrived at the station, the sacks are stacked up wherever there is room, and lie there exposed to mice and rain, possibly for months. The handling at the station, and later at the wharves, is done by manual labour, which adds considerably to the initial cost of production. The disadvantages of this system were recognised before the war, and in 1913 a Victorian Royal Commission recommended the adoption of bulk handling. The heavy loss from mice and weevil during the last four years has strengthened this recommendation, and the construction of silos has been decided upon by the N.S.W. Government. The opposition to bulk handling is, however, strong; initial costs would be heavy; existing harvesting machinery and waggons are designed to deal with bags; the misfortunes of the last four years are due largely to temporary abnormal conditions; and the metropolitan commercial interests which thrive by handling the wheat are opposed to any deviation from existing methods. Hence it is probable that the only change for some years to come will be in the erection of mechanical devices for handling the sacks at the various ports. This, and a more plentiful supply of trains and trucks for the wheat areas, would do much to remedy the defects of the present system.

The Water Problem.

Greatest of all Australian problems is that which arises from defective rainfall or heavy evaporation. About 38 per cent. of the continent is under the 10-inch line of rainfall; another 32 per cent. enjoys a fall of 10 to 20 inches a year; the remaining 30 per cent. obtains any quantity from 20 to over 100 inches. These figures are averages, but averages afford cold consolation in drought years. For a long time settlement clung to the regions of good rainfall, leaving the squatter to go beyond the

12 or 10 inch line if he wished. The droughts, when they came, were accepted passively as a natural order, for which Providence would compensate by sending superabundance in the following years. This great gamble of fat years against lean began to lose some of its popularity in the eighties, and since that time serious attempts have been made to conserve water, to tap new sources, and to cultivate "dry lands." Irrigation, artesian bores, and dry farming have been the secrets of progress in many parts.

Irrigation begins with Mildura (Victoria) in 1887, but its value had been urged forty years before upon the attention of Tasmanians by that energetic Governor, Denison. Mildura had many mishaps, due to faulty equipment, salty soil, inexperience, etc.; still, it grew steadily, until, in 1911, 6000 people were living on its 12,000 acres. A vigorous campaign by Mr. Deakin led to the formation of other irrigated settlements; the Victorian Government took up the work with zest, and to-day large areas in Victoria are artificially supplied with water. Renmark (S.A.) began in 1893, and the 5200 acres which once would sustain scarcely 500 sheep, now hold a population of 3000. The terrible drought of 1902-3 gave a strong impetus to schemes of water conservation, and in 1908 the big scheme for the Murrumbidgee area was decided upon. This plan, when carried out, will store up sufficient water to irrigate nearly 1000 square miles, and provide land for 100,000 people. In Tasmania irrigation and hydro-electric schemes will probably work in conjunction, whilst the settlement of the Murray River controversy will enable the water of that stream to be utilised for the irrigation of large new areas—estimated at 3,000,000 acres—now of little use. Irrigation goes hand in hand with closer settlement and intensive cultivation, and the orchardist or dairy-farmer thrives better on his small irrigated block than on large areas dependent on fitful rainfall.

Whilst irrigation was turning some sheep runs into farms and orchards, dry farming was turning others into wheat fields. The old idea that a 15-inch rainfall was necessary to profitable wheat production was abandoned when it was realised that good crops could be secured on land which obtained 10 inches between April and October. The light mallee scrub of Western Victoria and South Australia was rolled down and cleared, dry farming practice copied from America, and the use of drought-resistant wheats and artificial manures, combined with liberal fallowing, brought vast new areas under cultivation. If new varieties of wheat, drought-resisting and capable of being grown beyond the 10-inch rainfall line, can be evolved, still more of the waste spaces may some day abandon sheep for corn.

What irrigation has done for the cultivator, the artesian bore has done for the pastoralist in parts of the northern regions. The existence of subterranean waters was discovered in the seventies; the first bore was made in 1879, and up to the present about 4000 bores have been sunk, of which two-thirds are in Queensland. The deepest goes down to 5500 feet; the biggest yields 4,500,000 gallons a day. Artesian work has not always been successful; many bores have failed to draw water, whilst in other cases the water is so heavily charged with some chemical as to be useless. Still, the bore has been a great boon, and freed many stations from the worst effects of drought. Much remains still to be done for the pastoral industry, which suffers perhaps more heavily than any other industry from drought. The propagation of more drought-resisting bushes and grasses is a necessary but neglected branch of rural research.

The storage of fodder in silos has yet received very little attention, whilst the internal railway facilities of the continent are far too inadequate. Australia has never in the last hundred years had a general drought; there have always been regions where water and food were available. Hence the

need for more railway lines linking up the various parts of the continent, so that live-stock can be transferred easily and quickly from drought-stricken areas to those more fortunately situated. Can one hope for such provision in these days when railway construction is largely influenced by political considerations and limited by the borrowing capacity of already heavily-indebted Governments? The East-West line took seventeen years to materialise; the North-South line is still in the clouds of talk; the question of a uniform gauge is still unanswered; the world's supply of cattle is diminishing fast; the last drought reduced our flocks by 19 per cent. and our herds by 13 per cent., and the next drought is due about 1923.

Reafforestation.

The problem of water conservation has been generally admitted to be of vital importance to the welfare of the continent; we are slowly coming to the same conclusion concerning conservation of our timber resources. The early settlers found dense forests in many parts, especially in Tasmania, Victoria and West Australia. These were gradually cleared away, at first to make room for cultivation, and later in response to the demand, local and overseas, for timber. The settler burned off the trees as quickly as possible; the timber workers wastefully exploited the forests without any thought of the morrow. In 1903 the output of commercial timber was 370,000,000 superficial feet; by 1913 it had nearly doubled. The inevitable exhaustion of our resources is now near at hand. In settled districts there is a scarcity of timber for fencing and building; in the cities we pay 30/- a ton for firewood, whilst thousands of tons are rotting or being burnt in the distant forests. The Huon pine—one of the best pines in the world—is now almost a thing of the past; the cedar of north-eastern Australia has almost entirely disappeared; the eucalypts have been decimated, and our tanners are being compelled to go more and more to South Africa for their

supplies of wattle bark. The farmer has no wind-breaks or shelter for his cattle, crops, and water-pools; hot winds from the interior and cold winds from the sea are equally free to sweep over his land; heavy rains cause erosion and carry away the surface soil, whilst there is nothing to conserve the moisture or check evaporation. The seriousness of the situation has gradually been realised by the various State Governments, and forest control and re-afforestation may possibly receive more attention in the future. Private enterprise is not inclined at present to touch a business which would yield no dividends for decades; farmers will do little more than plant shelter trees and wind-breaks; so the big aspects of the problem are likely to be left to the State. This is sad, for it means that if the work is to be done properly, a big loan expenditure must be incurred, and few Ministers feel disposed to look more than three years ahead. Still, if some of the money which is to be poured out for repatriation can be used in re-afforestation, and if our timber licenses can be amended so as to demand that one tree shall be planted for every one cut down, the prospects for Australian forestry will become much brighter.

Agricultural Education.

The above paragraphs will have indicated that success in Australian rural industries is coming to depend more and more upon scientific knowledge and mental alertness in facing problems of soil, climate, etc. So far as agricultural education can supply these essentials the various State Governments have done their best. South Australia established an agricultural college in 1879, and since then, agricultural high schools, colleges, experimental farms, professors of agriculture, Government experts of all kinds, and official agricultural journals have appeared in most of the States. On paper the provision looks sufficiently comprehensive to guarantee that every rural worker is a trained man acting under expert advice. True, this educa-

tional system has achieved some successes, as, for instance, in converting the wheat-farmers to the use of artificial fertilisers. But it is doubtful whether farmers avail themselves of the facilities provided as much as they might. For instance, the agricultural high schools of Victoria, which are "secondary schools with an agricultural bias," and cost about £70,000 a year, have admittedly failed to achieve their primary aim—the education of the farmer's son. The few potential agriculturists enrolled come from the mercantile and professional classes. The farmer's son either stops at home to get his education, takes up some city occupation, or enters the Civil Service. The reasons for this comparative failure of agricultural education are many. The scarcity of labour, especially amongst small farmers, makes it impossible for a father to allow his sons, who are often his only assistants, to leave home for one or more years' training. There are no "off" seasons in Australia, when work is suspended, as is the case in North America. Further, the Australian farmer still has engrained in him the British distrust of "theory," and believes that the farm is the only proper training ground. In the hope of conciliating him, "practical men" have often been appointed as teachers—men who possessed actual experience but had little scientific foundation or ability to impart knowledge. The industrial and commercial men of Australia have little belief in the value of the universities to them, and it will probably be many years before the farmer gives much support to agricultural education.

The "Territory."

One final problem calls for attention before we pass on to questions of tenure and legislation. To the overseas visitor nothing is, perhaps, so striking as the apathy of the Australian people towards the Northern Territory. Over half a million square miles in area, capable of sustaining millions of livestock or growing tropical and sub-tropical produce, probably containing somewhere or other a second

Kalgoorlie and another Broken Hill, this vast tract remains still in the grip of white ants, mosquitoes, 20,000 aboriginals, 2500 Asiatics, and 2100 Europeans. For half a century South Australia tried to do something; a short railway was built, Port Darwin connected to Adelaide by telegraph, and much experimental work carried on. Settlers were tempted by low rents, easy entry and cheap fee simple, but all with little result. In 1881 only 670 Europeans were in the Territory; in 1911 only 1370. The task was too big for a State of 400,000 people, and so the whole Territory, with all its liabilities, was taken over by the Commonwealth on 1st January, 1911. The transference has made very little difference to the rate of progress. The number of live-stock shows little increase, the white population has increased a few hundreds in seven years, the immigration is largely cancelled by emigration, and the annual reports of the resident administrator are amongst the most depressing documents issued by any Government.

There are many reasons for this stagnation. The Territory is so far away, the sea journey to Port Darwin so long, that very few Australians ever go there or have any desire to do so. Railways linking up Port Darwin with South Australia, Queensland, and New South Wales are the first essential steps to progress. Until they are laid, all else is largely wasted energy and money. The climate on the coast is tropical, though on the plateau in the interior lower temperatures are found. The adoption of the White Australia policy in 1901 closed the door on any further influx of Asiatics, and made the Territory dependent on whites for additional labour supply. But even the inducements of very high wages and short hours have failed to attract any body of permanent settlers or labourers. White men come and go. They seldom bring their wives; in 1916 there were four men to one woman; only 74 births were recorded in 1916; hence there is no new generation growing up accustomed to tropical conditions. To the climate we must add the absence of

amenities and conveniences such as exist even in small country towns elsewhere, and the feeling that one is weeks away from civilisation. Finally, the actual use of the land is hampered by the lack of labour, by the absence of means of transit, by the tying-up of big runs in the hands of absentees who make little use of them, and by the lack of freezing works and shipping facilities. The land is excellent for cattle-raising, but that industry depends on the refrigerator. Freezing works opened at Port Darwin in 1917 at last promise to be successful; if the promise is fulfilled, the export of meat may help to lay firm foundations for the Territory's prosperity. But meat works alone are insufficient, and the only way to make our tropical white elephant into a national asset is by setting to work on a large scale. White people will not go to live there until the country possesses facilities such as they enjoy in New South Wales and other States. Therefore, public health, sanitation, the destruction of mosquitoes and white ants must be handled in the same way as they were by the Americans in the Panama Canal zone; roads and railways must be constructed on such a scale as to open up the fertile parts and link the whole up with neighbouring States. More freezing works and wharves are wanted, and Port Darwin needs planning in preparation for its expansion into a big seaport. Only by such a big offensive can we hope to get the Territory into order. Our present puny efforts make scarcely any impression, and leave the large problems untouched. A big offensive will cost many millions, but only by such heavy expenditure can the country be made to yield with any bounty. Whether this initial work can be done by white labour is another question, the answer to which will be found in another chapter. But whether by white or by any other colour, it must be done. When the Federal land tax was being discussed, it was argued that many men held vast properties of fertile land, which they allowed to remain unused or under-used. Such men, it was urged, had no right to stand in the way of those who sought

land to till, and should therefore by taxation be driven either to use the land themselves or dispose of it to more energetic persons. If this argument is valid for the individual, it is equally so for the nation. The pressure of population in over-crowded Asia and the world's scarcity of food make it essential that each nation should do its share to fill the world's larder. No nation can let useful land lie idle with one European to every 200 square miles. Australia must either develop the Northern Territory or forfeit her claim to retain it.

LAND TENURE AND LEGISLATION.

The story of land legislation is bewildering chaos, and no one has yet had the courage to attempt an adequate study of the tangle of legislative and administrative antics, the battle of wits between laws and individuals, and the clash between government intentions and economic forces, which make up the history of land tenure in all the six States. That history can be divided into four epochs. First came the era of Crown grants and free gifts. This was followed by the establishment of land sales and the granting of pastoral leases. To this point all had gone in favour of the squatter, but then came a reaction in favour of the agricultural selector, who was offered "selection before survey." This offer availed little, for the power of the pastoral interests was sufficiently strong to thwart the aims of the Legislature. Finally, the possibilities of closer settlement, mixed farming, irrigation and dairying, which were realised during a period when Parliaments were becoming more democratic and power was passing into the hands of the Labour Party, gave an impetus to experimental land reform: For nearly thirty years the various States have been experimenting with closer settlement, perpetual leases, easy terms of purchase, and land taxation. The problems engaging attention during this period are partly the result of earlier economic history, when the land was regarded as a pastoral area alone; they are also due to early legislative and

administrative errors or omissions. The free grants tied up some of the best land; the early Parliaments, both before and after the advent of full self-government, were filled by the squatters and their satellites, who used their power to foster the growth of big estates, whilst at the same time the need to attract population necessitated a generosity which, though successful at the time, sowed the seed for future trouble. Estates were first built up on such a scale as to be large enough for economic extensive pastoral work; when, therefore, intensive agriculture became more common, and population grew, it was inevitable that conflict should arise between the old and new orders. The generally-accepted view to-day is that land should be utilised to the greatest advantage, and should carry as large a population as it can possibly sustain. To what extent this harmonises with actual practice we shall see later.

The free grant period lasted from the foundation of Sydney until 1831. Under the legal fiction that all land was the property of the Crown until definitely alienated, the early Governors had power to make free grants to suitable people, whether free settlers or emancipists. At first the areas granted were small, but when the vast extent available was realised, larger holdings were permitted, whilst the British Government's grants of 1,000,000 acres to the Australian Agricultural Co., 400,000 to the Van Diemen's Land Co., and 250,000 to the Swan River Adventurers (1829) introduced the big landowner to Australia. During this first period of land distribution, over 3,000,000 acres in N.S.W. were alienated; of these the great bulk were in large holdings, for which the prescribed small quit-rents were seldom paid.

Sales and Squatting.

Whilst the free grants were causing little development, and bringing less revenue, a body of men in England was working out a new theory of colonisation. Of these men the leader was Edward Gibbon

Wakefield, whose "Letters from Sydney," written in Newgate Gaol, began a revolution in colonial land policy. Wakefield declared that the free grants system had failed, in that it provided no fund for the immigration of labor or the performance of public works. He therefore urged that henceforth land should be sold at a "sufficient price," and the proceeds devoted to public works and immigration of agricultural laborers. The price was to be so high that laborers would be unable to buy land until they had worked some years in the colony; at the same time every sale of land by the Crown would mean more money for roads and a steady influx of labor. By careful choice of the laborers, a colony would get quality as well as quantity, and as the wage-earners in time saved sufficient to buy land, their purchase money would bring out others in their place. Thus settlement, labor supply, and public works would be advancing on a firm path *pari passu*. Although never applied exactly as Wakefield wished, his ideas formed the basis of the new land policy. In 1831 free grants were abolished, and sale by auction instituted. A fund was thus provided, at least half of which was devoted to assisting immigration, some of the remainder being utilised for public works. Wakefield's theory was also responsible for the settlement of South Australia in 1836, but many things conspired to thwart a real testing of the theory. Wakefield's detailed proposals were departed from at many points; the supply of surveyors was inadequate, whilst the money received for some blocks was nearly all swallowed up in survey costs; the liberal scheme of public works created such a demand for labor that wages were high, and laborers therefore refused to go on the land. Finally, many men bought land not to cultivate, but to sell at a profit to subsequent arrivals, and since most settlers wished to be as near Adelaide as possible, an outburst of land speculation followed, whilst the country remained undeveloped, and the laborers lived on the Government.

Sir George Grey finally brought order out of this chaos, but the Wakefield experiment was abandoned, and the colony fell almost into line with New South Wales in its land control.

Meanwhile, a new problem had to be faced—the squatter. As shown earlier in the chapter, pastoralists had overflowed into the unsettled areas, and by 1830 probably half the live stock of the colony was outside the nineteen counties. If all unalienated land was Crown property, these men were trespassers, and the Tasmanian Impounding Law of 1830 ordered that all cattle found on Crown land should be impounded. Such an act could not possibly be enforced on the mainland, and since wool was now becoming the staple export, some *modus vivendi* must be found. Governor Brisbane therefore began to grant licenses for squatting, and in 1836 Bourke developed and defined the license. Squatters were ordered to take out annual licenses, which were obtainable on payment of a fee of £10. Unlicensed squatting was forbidden, and the license must be presented for renewal every year. Although this legalised the pastoralists' position, the insistence on annual licenses gave no fixity of tenure, but on the other hand allowed any run to be placed in the market at the end of each year, should anyone wish to purchase part of it. The squatter had the right of occupation pending the appearance of a buyer.

Bourke's device, whilst providing for future development, made the position of the squatter who could not afford to buy his run so precarious that improvements were impossible. If one might be evicted at the end of the year, one would certainly not put up any fences, or erect decent buildings. This was admittedly a serious bar to progress and comfort in the biggest industry of the time, and the squatters therefore set to work to obtain greater fixity of tenure, merging possibly into freehold. For ten years they struggled, gaining strength in the semi-elected Legislative Council, finding eloquent, if interested, champions in Wentworth and

Lowe, influencing official opinion in London, and finally triumphing over their stalwart opponent, Gipps. The famous Orders-in-Council of 1847 gave the squatters all they asked for, and more. Leases were still to be limited to one year in the settled areas, but in the "intermediate" districts were to run for eight years, and in the "unsettled" for fourteen. During the currency of the lease the land could not be sold, and at the end of the lease the lessee had the right to buy the whole or part of the run at a minimum price of £1 per acre. Fixity of tenure and pre-emptive rights—these were what the squatter desired, for they gave him virtual ownership of his station. He had the first chance to buy, and, should there be any fear of another purchaser, he could buy up the "eyes" of the run, i.e., the water-places, roads, fords, etc., and so make the surrounding land useless to anyone but himself. The value of the concessions can be realised from a contemporary statement that good runs, fully stocked, now began to sell for double the value of the stock; fixity of tenure and pre-emption made the lease worth as much as the stock. At once the squatters began to make improvements, thanks to which they were able to cope with diseases, breed better strains, and live in more comfortable houses. The Orders-in-Council were soon attacked by public opinion outside the squatting interests; in South Australia the opposition was so strong that they were never put into operation; whilst in Victoria the deliberate delays of Latrobe and his subordinates prevented the orders from being availed of by the squatters, thus preventing the lands of that colony from being locked up for eight or fourteen years. Still, the Orders were defensible. A big industry was put on a satisfactory basis, and, given the essentials of progress; no one could foresee the gold rush, and the consequent growth of population; and, if subsequent generations had to pay the price, and fight hard to undo the wrong, that has been the fate of subsequent generations at all times and in all places.

Then came the gold rush, and when the diggers left the apparently exhausted gold fields, looking for land on which to settle, they found that the best agricultural land in New South Wales had been either given away, sold, or leased to men who had bought out the "eyes." Many of the miners wanted land for arable purposes, but as no classification of lands had been made, good wheat land was under pasturage. In Victoria conditions were more favourable, for, although 800 persons and families had that colony in their hands as a sheep run, they were not allowed to claim the privilege of long leases and pre-emption, and Latrobe had reserved many areas for townships and agricultural purposes. Further, although land was put up for sale by auction, such sale could not take place until the land had been surveyed, and, as the surveying staff was very small, the supply of land offered fell far short of the demand. Two things were required; firstly, the right to go out freely and select land for purchase, regardless of whether the land had been surveyed or not; secondly, the right to select land out of a squatter's leasehold.

"Selection."

Out of these two requisites emerged the third era of land legislation—that of free selection before survey. In 1861, when the first 14-years' leases expired, Robertson's Act, carried through the N.S.W. Parliament after a hard fight with the Legislative Council, established the new principle. Henceforth, a would-be settler could go out into any part of the country, surveyed or unsurveyed, pastoral leasehold or unoccupied, and select a plot of land. Here he was to reside, make certain improvements, pay a deposit to the Government, complete the purchase by deferred payments, and the land then became his property. This Act, which was copied by other States, aimed at creating a class of peasant proprietors; it recognised the coming of agriculture as a rival to stock-raising; it seemed to sound the knell of the squatter, and promised to usher in a

millenium. Yet it failed almost completely, and did more harm than good. Faced with the prospect of an invasion of selectors on to his run, the squatter hastened to buy up the good bits, and in one case 258,000 acres were secured by buying 700 forty-acre blocks in different parts of the leasehold. Should the squatter lack the necessary money, and be unable to borrow from the banks, he persuaded friends or employees to play "dummy" for him, acquire the good patches, fulfil the conditions required by law, and subsequently transfer the blocks to him. Some independent buyers took land not for settlement purposes, but to blackmail the invaded squatter to buy them out. Speculation was rife, fraud and deceit rampant. Very few patches were really farmed, and out of 60,000 applications in 22 years, two-thirds were failures or dummies. The war between squatter and selector was waged furiously, and meanwhile land development languished. The large estates which were to have been broken up grew larger than before. In thirty years rural population increased by 200,000, and the cultivated area by less than 600,000 acres. The nation of peasant proprietors seemed further away than ever. In Victoria the fight was equally bitter, but the action of Latrobe in making reserves and repudiating the Orders-in-Council, the denunciation of the big estates by Syme in the "Age," and the stronger democratic tone of the State helped to make the lot of the small man better in Victoria than in New South Wales.

The Era of Experiment and Reform.

By about 1890 it was generally recognised that the whole land question must be reconsidered. New circumstances, possibilities, and ideas had appeared. Wheat farming, dairying, fruit culture, grazing, all called for intensive cultivation of small, well-chosen areas. Irrigation, to be successful, must be carried on in closely-settled regions. Dry farming on mallee land was now known to be feasible, and this country must therefore be made avail-

able. Thus purely economic forces were demanding such changes in land ownership and use as would ensure that the soil should be put to the best possible purpose. Political and social forces were also at work. Henry George's visit to Australia stirred up vigorous discussion on land wrongs, and his ideas found widespread acceptance. A more democratic spirit was growing, and the rise of the Labor Party in the nineties helped to swell the opposition to big estates and their owners. But, if closer settlement and peasant properties were to be successful, the peasant must be assisted in every possible way, and especially by the grant of easy terms of purchase.

Since the late eighties, therefore, land legislation on new lines has occupied much of the time of all the State Parliaments. Laws, once passed, have speedily been amended as their defects have become evident. The Victorian Closer Settlement Act of 1904 was amended six times during the next eight years. In their desire to deal with all kinds of land and cater for all possible sorts of occupants, Governments have created a great variety of tenures. There are, for instance, thirteen methods of acquiring, and thirteen ways of leasing land in N.S.W.; whilst Victoria has fourteen different tenures. The prospective settler finds himself lost in such a maze; if he tries to read a consolidated land act he is confronted by a volume of clauses and regulations amounting to 300 pages in the last Victorian Act, and to 467 pages in the N.S.W. Consolidating Act of 1913 (which has since been amended five times). Explanatory pamphlets, written to attract immigrants, do little to remove the difficulties, for, according to the pamphlets of the various States, each State is the best of the six, and each offers such a choice of tenures that it is hard to decide which is the best fitted to one's needs and resources. Reading the land literature of the six States is like studying the sale catalogues of six rival multiple stores. To the student of land legislation this medley of legislative effort resolves itself into a few clearly-

marked lines of policy. The aim, which is quite definite, and is the same throughout the continent, is a threefold one. Firstly, to promote, as far as is possible by legislation, the settlement of a big rural population, on holdings which are not too large to be fully worked, nor too small to provide a comfortable living. Secondly, to guarantee that land is utilised in the most advantageous manner, and that regions capable of intensive cultivation shall not be locked up permanently for extensive pasturage. Thirdly, to ensure that such unearned increment or increase in the unimproved value of land as may come from the growth or efforts of the community shall not be appropriated solely by the private land owner.

Classification and Alienation.

These aims explain the legislative and administrative activity of the last thirty years. That activity has manifested itself in two directions. On one hand Governments have endeavoured, whilst fostering settlement, to direct further alienations of land so as to avoid the blunders and evils of the past. On the other hand, they have striven to exert such influence on land already alienated as would remove the biggest obstacles to progress and eliminate the worst evils. The work is in the hands of largely expanded State Lands Departments, each with a big staff of surveyors, and with district land offices to decentralise administration. Thanks to this more efficient machine, the greater part of the land likely to be settled in the near future has been surveyed, or is surveyed before selection takes place. The data collected have made it possible to classify the land according to the character of the soil and the sub-soil, climatic conditions, extent of timber, etc. This classification vitally affects the conditions under which land may be obtained, the kind of tenure, the area of the holding, the use to which it may be put, the price per acre, the length of lease, the liability to invasion for settlement or resumption, and so forth. Thus, thanks to classification, there

is little fear that any more good arable land near to railways or coast will be tied up in sheep runs; the pastoralist is consigned to those areas which are known to be unfit for cultivation, but if dry farming shows that crops can be grown on areas now labelled pastoral, a new classification will some day drive the sheep further back.

Having made its inventory, the State then proceeds to induce people to come and settle on the Crown lands. Sales by auction still survive in all the States except Queensland, and a certain amount of land is thus disposed of annually, in blocks of limited area. But the more popular method of alienation is by conditional purchase. The conditions usually are the payment of a deposit, and of instalments, covering capital and interest, spread over about thirty years; residence upon the holdings for at least six months in each of the first few years; the effecting of improvements, such as fencing, clearing, and the erection of buildings. The area which a conditional purchaser can secure varies from small orchard blocks of five acres to four square miles of mediocre land in Central N.S.W. The guiding principle is that the holding, if used for the purpose for which it is reasonably fitted, will be sufficient for the maintenance in average seasons and circumstances of an average family. Only two States—Queensland and Western Australia—have offered free homesteads on the North American plan, i.e., free from any payment except registration and survey fees, but subject to five years' residence. Both States have recently abandoned or modified this system of conditional grants.

The land made available for conditional purchase is usually land which has been classified as fit for cultivation or mixed farming, and since this is regarded as the most beneficial use to which the land can be put, there is no apparent objection to the granting of the fee simple. Pastoral lands, on the other hand, are in many cases looked upon as possible dry farming areas, and in the interests of

future settlement, therefore, it is felt to be unwise to allow them to pass permanently out of the hands of the State. Hence, large tracts of grazing land are not sold, but let on long leases. The pastoral leases of Western New South Wales expire in 1943; in the Northern Territory one can lease 300 square miles of first-class cattle land for 21 years, whilst in Queensland one can secure an annual license to graze over 25 square miles of land at a rent of about 16/- per square mile, or can take up residence on a 28 years' leasehold at a rent re-assessed every seven years by the Land Court. In Victoria and West Australia grazing leases can be converted under conditions of residence into freehold, but in each State the maximum holding is sufficiently small to prevent the creation of big stations.

The Perpetual Lease.

The most interesting aspect of leasehold has been the growth of the perpetual lease. The idea of retaining ownership in the hands of the State first found favor in the eighties, and South Australia in 1888 led the way by embodying perpetual leases in a land law. The new type of lease contained many advantages, both for the State and the individual. The State offered land for use in return for a rent, which might be increased periodically as the growth of population, the making of roads, the construction of railways, and other factors increased its unimproved value. Thus the State was provided with a steadily-growing revenue, and the unearned increment became in part the property of the community. The tenant benefited by not having to use his capital for purchasing the land, and could therefore devote it to improvements, machinery, etc. The perpetual lease gave him the same sense of security as freehold, provided he paid the rent regularly; he was allowed to transfer, mortgage or sublet if he wished, and had the right of appeal if he thought the revised rent charges too high. The system had its disadvantages. Perpetual leases deprived the State of that revenue which it had been receiving from land

sales, and placed a heavier burden on taxation schemes; hence a Government which lacked long views would prefer sale revenue to-day to land rents for ever. The selector also found faults; he naturally wished to benefit as much as possible from any increase in unimproved values; he liked to think of the time when the last instalment should be paid off, and he could call the land his very own; finally, he probably realised that fortunes are made in Australia not simply by using land, but rather by selling it.

The perpetual lease appealed strongly to the Labor Party, whose policy has always been opposed to further alienation of Crown lands; and, under the pressure of opinion roused by this party, all the States except West Australia and Tasmania have introduced perpetual leaseholds. In Victoria the system was first applied to Mallee lands, but has been extended to all Crown lands open for selection, with a revision of rent every ten years. New South Wales applied the principle in 1912 to homestead and irrigation farms, whilst Queensland in 1916 stopped granting freehold, decreeing that henceforth grazing land should be available only on 28-year leases, and agricultural and prickly-pear land on perpetual leases. In this action it followed the example of the Northern Territory, where further alienation has been prohibited, and agricultural land made available only on perpetual leases, with revision of the rent every 21 years. The results of Queensland's rejection of all but leasehold tenures will be awaited with much interest. Only about one-eighth of her soil has been permanently alienated or reserved, so there is abundant room for the development of a large community of State tenants; the soil and climate are suited to almost every kind of rural activity; the State has more railways than any other, and the lines run towards a string of ports instead of centring on the Capital; the rents of the perpetual leaseholds are limited to 1½ per cent. of the capital value, and possession of some lands for the first few years can be obtained almost free of

any charge. Before the war many young men were being attracted from the Southern States by the liberal terms offered; it still remains to be seen whether the perpetual lease will hold the same attraction as did the earlier forms of tenure. If it does, then it is probable that before many years are past Queensland and Western Australia will stand out as the leading agricultural and pastoral States of the Commonwealth.

Resumption and Closer Settlement.

So far, we have discussed the policies which direct Governments in finding persons to utilise Crown lands. In one important branch of Government activity—that of closer settlement—the lack of suitable Crown lands has been severely felt, and the State has been driven into relations with the private landowner. Closer settlement, whether with or without the assistance of immigration, assumed importance during the last decade of the 19th century, when the possibilities of mixed farming, dairying, fruit-growing, etc., had been realised. A growing population, native or immigrant, needed land, and looked to the State to provide it. But when the States began to search for areas to settle, they found that most of the best land which was not already in the hands of small farmers was the property of big landlords, who used it for pastoral or extensive agricultural work. To get this land more effectively utilised, two things could be done. It could be so heavily taxed as to drive its owner to make better use of it, or it could be purchased by the State, cut up into small farms, and let or sold. All the States except Queensland played with taxation, but with little apparent effect on the under-utilised land. The easier path was resumption, and that path all the States have trodden. New South Wales took the first legislative step in 1901, but as the Act did not give powers of compulsory resumption, nothing happened. The needed power was secured in 1904, and has since been granted by legislation in all the States except West and South Australia.

Having purchased an estate, the Closer Settlement Board cuts it up into farms of suitable size, and then sells to approved applicants on residential conditional purchase terms, with payments spread over at least 30 years. The price to be paid by the settler is fixed so as to cover the cost of resumption and other expenses incurred in preparing the land for settlement. In order to assist the applicant with little capital, the State may make advances to help in fencing, equipping, and stocking the farm, whilst Government experts exist to help the man with little knowledge or experience.

The result of about twelve years' closer settlement may be described as fairly satisfactory. Up to the middle of 1916, 3,300,000 acres had been acquired, of which almost the whole had been resumed. Out of this area the Closer Settlement Boards had allotted 2,780,000 acres in 11,700 holdings, an average of 240 acres each. Many settlements have prospered; others have come near the verge of failure. Perhaps the most prominent instances of success are on the irrigation areas of Victoria. About 1909, Victoria realised that much of the money spent on irrigation was being wasted because the irrigated holdings were too large. Men held 400 to 600 acres, where 20 to 80 acres, properly worked, would yield as large returns. More than half the water in some places was being wasted. The Victorian Government, therefore, resumed some of the irrigated lands, subdivided, and re-sold in much smaller blocks prepared for irrigation, and with houses built thereon. The results have been wonderful. In one place 245 farmers reside where once there were 19, whilst over the area generally there are ten settlers where formerly was only one.

The weaknesses and mistakes of the closer settlement policy are to-day quite clear. Not a few of the resumed estates have been totally unfitted for the purpose, or have been subdivided into too small holdings. The average price given for the land has been £3 12s. per acre, but this figure gives no idea of the high prices paid in some instances. The

compulsory purchase powers have seldom been used, and, as there has generally been plenty of land under offer to the Governments, one may assume that landowners regarded resumption as a satisfactory device, which enabled them to dispose of superfluous land at good prices. The mere fact that the State is the purchaser increases the sale price, and every resumption raises the price of future purchases. There is seldom any marked similarity between the value of an estate for taxation purposes and the value when offered to the Government. In order, therefore, to recoup itself, the State must charge the incoming settler a price which is often so high as to imperil his solvency for many years. Hence the occasional failure of individuals, if not of whole settlements. If closer settlement is to be generally successful, the land must be made available more cheaply. This can only be done by exercising compulsory powers when a landowner cannot prove that he is using his land to the best advantage, and by acquiring the land at or near the valuation given for taxation purposes.

Whilst political action has attempted with some success to establish small holdings, economic forces have achieved probably quite as much. During the last 25 years some landowners have sub-divided their estates and leased or sold portions. Many have adopted what in Europe would be called metayage, and what in Australia is called the share system. The landlord provides everything but labor, and in return receives from half to two-thirds of the produce. This practice started in the dairying districts of Western Victoria, and has now spread to all the Eastern States. It is especially attractive to the man with very little capital, for his savings remain untouched, and can be gradually added to, until sufficient is available to purchase a good holding. No statistics are available as to the extent of share farming; but it has probably been more productive of closer settlement than all the legislation of the last two decades.

Soldiers' Settlements.

Of minor efforts to give men access to land one can say little. Group settlements and village communities have been provided for by legislation, but the Australian is far too individualistic to avail himself much of such facilities. The British allotments idea has its counterpart in the workmen's homes and agricultural laborers' allotments of Victoria, and the suburban holdings of New South Wales, of which about 1500 are in existence in each of the two States. At present the chief land problem exciting the minds of Governments is connected with repatriation. An optimistic belief prevails that many of the returned soldiers will wish to settle on the land, and each State is therefore making some provision, suitable or otherwise. Special legislation has been passed, estates resumed, Crown lands reserved, training farms established, and some hundreds of men are already settled or in training. It must be confessed, however, that should any considerable number of Australian soldiers wish to become farmers, and should there be an extensive immigration from the United Kingdom after the war, the present method of proceeding on closer settlement lines will be unable to cope with the demand. The re-purchase of estates for, say, 250,000 men would mean the providing of land for a number which is nearly half that of all the land workers at the last census (1911); whilst, should only 25,000 farms be required, that number is over twice the supply provided by the Closer Settlement Boards since their inception. Further, an extensive purchase of estates would often mean the replacement of civilians by ex-soldiers, as the former would decide to come and live in the towns, thanks to the cheques received for their land. Assuming, therefore, that there is even a moderate demand for land, the following requirements seem to be essential:—

- (1). New land should be used as much as possible. Irrigation in the Murray Basin and elsewhere, the systematic clearing of

the rich lands of North-Western Tasmania or of the south-west of West Australia, the construction of roads and railways in many now neglected regions, all would provide room for new holdings and extend the bounds of settlement. This work should be done if possible before settling the soldiers.

- (2). No soldier should be given a holding until he is thoroughly trained. Where possible, the training farm should be on the area to be settled, so as to act as guide and adviser when the men take up their allotments.
- (3). The training should include instruction in the idea, methods, and benefits of agricultural co-operation. An expert on co-operation is just as necessary a State official as an expert on pigs and poultry.
- (4). The State must provide a diversity of lands to cater for different tastes amongst the men. Not all the soldiers wish to look after poultry, orchards, dairies, pineapples, and bees. Many will prefer mixed farming on extensive lines, or a pastoral life, and for these men areas in Queensland, the Northern Territory, or Western Australia, might be made available.

The number of land seekers will not be nearly so great as some of our orators suppose; there will be many failures, and many will tire of the life after a few months; but the remainder, if given guidance and assistance which are neither parsimonious nor pampering, will succeed, and add materially to the settlement of a still empty continent.

Land Taxation.

When the new period of experimental legislation began, great results were confidently expected; especially was it hoped that the big estate and the under-utilisation of land would disappear. These hopes were doomed to much disappointment, for, in spite of all efforts, the big holdings remained, increasing in number and size. It is estimated

that between 1880 and 1908, 16,600 holdings were created in Victoria, but over 8600 were absorbed, and this ratio of two to one was probably equalled in the other States. In 1910, 13,387 persons, of whom 2171 were absentees, owned estates whose unimproved value was over £5000 each, the total unimproved value being £178,000,000. Of these persons about 550 came above the £50,000 line, eight above £500,000, and one above £1,000,000. To "burst-up" these big estates, to destroy the "land monopoly," and to bring under-utilised land into more effective use, taxation was urged. The idea was by no means new, for the single tax, with double rates on unimproved land, had been advocated by Henry Melville, a Hobart journalist, during the thirties of last century. The works of Henry George won widespread popularity in the eighties, and in 1884 South Australia, the pioneer in so many land policies, imposed a tax of 1d. in the £ on the unimproved value of all lands. Victoria, seven years before, had levied taxation on the capital value, but here, as in all the other States except Queensland, the tax on unimproved values finally prevailed. The rates imposed were not progressive to any serious extent, and so placed no heavier burden on the big estate than on the smaller one, whilst in Victoria and Tasmania the Legislative Councils refused to accept the idea of taxing unimproved values until it became clear that the Federal Government intended to do so. This late repentance availed little, for in the Federal elections of 1910 the Labor Party made land taxation one of its chief war-cries, and the return of that party to power was followed by the passing of the Federal Land Tax Act. This measure had a double purpose: firstly, to raise revenue to help defray the cost of defence, old age pensions, and maternity bonuses; secondly, to break up or bring into better use the big estates, and thus provide work or land for the crowds of immigrants who were needed to populate and defend the country. To this end a graded tax, rising from 1d. to 6d. in the £, was imposed on all

estates whose unimproved value was above £5,000, with an extra 1d. on the property of absentees. As a revenue-producer, the Act began to yield about £1,400,000 a year, and, since the increase of the maximum rate to 9d., and the extension of the scope to Crown leases (1914), about £2,000,000 has been received yearly.

It is perhaps a little too soon to seek for results, but it is possible to note certain marked effects after seven years' operations. The fear of taxation caused a substantial amount of subdivision and sale immediately before and after the passage of the Act. Some persons have transferred portions of their estates to other members of the family, and considerable ingenuity has been displayed in this direction by those who wish to continue their occupation and use of the land without having to pay the full amount of taxation. In such cases there is a battle of wits between the owner and the tax commissioner. But, in spite of these occasional duplicities, there is abundant evidence that the Federal Tax is to some extent achieving its purpose. Many large owners, especially absentees, have sold extensive tracts; the number of very big estates has declined, as land has passed out of the higher taxable grades into the lower, or out of the taxable zone completely. For instance, the number of owners paying taxation on over £80,000 fell between 1911 and 1915 from 264 to 211, whilst in the year 1914-15 alone land having an unimproved value of over £7,000,000 passed wholly out of the taxable area. But the big estate is still with us, in spite of taxation. In 1915-16, 50 per cent. of the tax received from resident land-lords was paid by 186 persons out of 12,084, i.e., 1.5 per cent., and half the tax on absentees fell on the shoulders of 34 persons out of 2,865.

Results of Land Policy.

Now, in conclusion, we can attempt a brief survey of the effect of all these attempts to settle on Australian soil a thick and flourishing population. If legislation could achieve one half its purposes, the

continent would have a rural population of at least 10,000,000. But legislation has usually to contend with human or economic forces, which may overpower it and defy its good intentions. Vested interest will find a way to drive a carriage and pair through some new law which attacks it, with the same ease as the American trusts evaded the Sherman Anti-trust law. The selector, for whose benefit the State acts, may turn into a dummy or a speculator. Hence, remedial legislation fails to remedy, progressive laws secure little progress, and the best intentions in the world end in disappointment. This has been the fate of much of our land legislation, and to-day in the field of land settlement, as in that of industrial legislation, there is a sense of disillusionment at the futility of political action.

The most disappointing feature of recent years has been the way in which land, alienated in small blocks for purposes of cultivation, has in many cases become absorbed into larger holdings, and reverted to pasturage. This is due to many things. Once the land is definitely alienated, the State loses all control over its use, and the freeholder, or perpetual leaseholder, is free to transfer his holding as he wishes. For years he may toil, and finally reach a state of prosperity. But he has had to face many difficulties. The cost of agricultural machinery is heavy, and the labor supply is always a thorny problem. The Australian agricultural laborer is something of a nomad. Often he is a town dweller, who comes out at harvesting and shearing time for a few weeks' hard work at high wages. It is difficult to secure competent men permanently, and good ones frequently demand more wages than the farmer says he can afford, or leave him to take up land for themselves. Thus, farmers in despair abandon cultivation for live-stock, and either confine their efforts to such work as can be done by the family, or set out to buy adjacent land and build up a grazing run. In this way many Victorians who took up farming selections twenty years ago have become graziers on medium-sized holdings; little if any labour is em-

ployed, and the local population declines in consequence. Some of the best land in Victoria has passed in this way from crop to cattle; from small farms to medium-sized ones. This decision in favour of cattle was strengthened by the events of the war period. The lack of ships to take one year's harvest away before the next one was gathered, the havoc wrought by mice and weevil, the scarcity of labour, the excellent prices for meat and wool, and the prospective world cattle famine gave rise in 1918 to a vigorous controversy on the advisability of concentrating on live stock instead of giving further attention to cereals. Two harvests were partly ruined by the plagues of mice and weevil before any serious attempt was made to check deterioration, and in sheer despair many farmers abandoned cultivation. Peace came too late to influence this tendency in 1918, and it is to be feared that in view of the high cost of labour and equipment wheat-growing will be unpopular for some years to come. Hence the movement towards large holdings will gain added force, and much of the closer settlement of the last thirty years be undone.

Rural Needs.

As to the general policy of the future, one may perhaps offer a few suggestions. The policy of small holdings, allied with more intensive cultivation, must be retained. But many things must be added. The rural depopulation, which in recent years has swelled the size of the Capitals, is partly due to two things—the monotony of country life, and the social attractions and high wages of the city. "Nearness to the doctor and the school-master," said the Sydney "Bulletin" recently, "are two prime demands of the modern citizen." To them one might add the library, the picture house, the telephone, electric light, good roads, and the hundred other facilities which make social life in the town. The townsman clings to these things, and refuses to go out and dwell in rural regions where they are

lacking, whilst the country dweller, after a few trips to town, begins to make comparisons which are seldom advantageous to the place where he resides. If, therefore, the land-worker is really the backbone of the nation, and if we truly wish to have our fertile areas fully settled, cheap land and low rents are not sufficient. The farmer has his gramophone, and sometimes his motor car; he must be given the other things as well. Closer settlement must strive to create village communities, or scattered townships, which are sufficiently large and concentrated to make possible the provision of social comforts, and the establishment of some social centre. Welfare work is just as important for the rural as the urban worker. If we wish to get efficient agricultural laborers we must fill up some of the gap which separates the laborer's wage from that of the artisan and wharf-laborer, and substitute decent homes for the "shacks" in which so often he is expected to live. If we wish the small farmers to succeed, we must preach in season and out of season the blessings of agricultural co-operation. We must see that the railways go to the best and nearest harbor instead of to the Capital, and that the good roads of the State are not all within ten miles of the Capital's post-office clock. All this needs imagination and a big plan; but only such a plan will place the population where it is really of use in the development of the continent.

Bibliography.—Short accounts of land settlement and legislation will be found in such text books as Jenks' History of the Australasian Colonies (Pitt Press) and Jose's History of Australasia (Angus and Robertson). See also the handbooks published in connection with the visit of the British Association to Australia in 1914. The story of the pastoral period is told in great detail in J. Collier's "Pastoral Age in Australasia" (Whitcombe and Tombs). For the Wakefield theory and settlement of South Australia see Mills' "Colonisation of Australia" (King). Statistics relating to most of the topics dealt with above will be found in the Commonwealth Year Book.

The four volumes of Coghlan on "Labor and Industry in Australia" (Clarendon Press) are most valuable reference books. The list of laws governing settlement and tenure to-day is too long to be given here. The annual reports of the Lands Department of the various States, the Administrator of the Northern Territory, and the Federal Land Tax Commissioner are all useful; whilst the first report of the Executive Committee of the Commonwealth Advisory Council of Science and Industry (1917), and the tariff reports of the Interstate Commission on timber, tobacco, wattle bark, and new industries throw much light on problems of production. My thanks are due to the Ministers for Land in all the States, and to the Federal Land Tax Commissioner for documents, reports, and other sources of information readily supplied.

CHAPTER X.

AUSTRALIA AND IMPERIAL POLITICS.*

By Professor G. A. Wood.

"More British than Britain."

There are two facts that every thinker about Australia must have in mind.

Firstly, Australians are, with possible exception of New Zealanders, the most British people in the world. There is no solid element of foreign origin as in Canada and in South Africa. In proportion to population there are fewer foreigners than in Britain, and their influence is less. All-British monotony gives Australian character both quality and defect. Moreover, Australians are British who have lived in circumstances peculiarly favourable to the development of British characteristics. They have not wasted nature in everlasting fight against traditions of dirt and poverty. They have had leisure and clean space, and they have grown—grown into the men Mr. Masefield saw at Anzac, walking and looking like kings in old poems, "baited like eagles having lately bathed."

It was hot British blood that made them walk at Anzac, and hot British thoughts that ran kindling in the blood. At outbreak of war the resolution to fight the British fight "to the last man and the last shilling" was vehement and almost universal. Every great city, every tiny village, sent its noblest and its dearest to die for a British policy in determination of which no Australian had said one word. Not in England did the fire of service and sacrifice burn with fiercer and purer flame. British passion transcended quarrels of parties and classes and religions in a community that is almost as quarrelsome as it is generous. In the Boer war there had

*This chapter, with the exception of the postscript, was written in August, 1917.

been bitter division, not because there was anywhere lack of hostility towards the enemy of British ideals, but because while some thought the enemy was General Botha, others thought the enemy was Lord Milner. In August, 1914, there was no division. The hottest pro-Boers were the hottest anti-Prussians. Those who in 1899 had led the demand that the British Government should stop the war, in 1914 led the demand for compulsory service.* Mr. Hughes, who had said, in 1904, that Australia would never again fight in "the cause of chicanery and bribery, corruption and rottenness reeking out of every pore," became the brilliant leader of those who urged that in the cause of justice Australia must fight with soul and heart and strength. Workers poured to war as fast as employers, though not faster. Irishmen were at the back of the Redmonds, as resolute to fight the Prussian as they had been resolute not to fight the Boer. Australia saw the world-battle against militarism, and Australia's place was by Britain in the thick.

And to many it seemed that the hot-blood sense of community of race, made sacred by community of martyrdom, should lead in cooler days to political organisation for common defence. What of the future? Could Britain ever again face the Powers of Darkness without certain help from the Dominions? Could Australia ever again be content to raise no voice in determination of a British policy which Australia would support with half a million lives? Had not the time at last come to face with practical mind that Problem of the Commonwealth which Seeley had propounded in 1883 as the Problem which would determine the destiny of the British race? For the Problem which Seeley had explained to academic students in the cool clear phrase which masked hot meaning now knocked at the official doors of statesmen with compelling knock—a Problem that demanded interview and answer.

* For example, Mr. Holman, Premier of New South Wales since 1913, and, in journalism, the *Sydney Bulletin*.

**The Britannic Problem in 1883 and in 1916;
Seeley and Curtis.**

It was good fortune that the Seeley of 1916 was Mr. Lionel Curtis. To an Englishman Australianate, who as a Manchester student had read Seeley in 1883, and who after 25 years' history-teaching in Sydney read Curtis in 1916, there came vivid thoughts. The enthusiasm of boyhood was re-kindled, and a way at last seemed opened by which enthusiasm might perchance create organisation. Seeley had expounded a noble idea, but his suggestions had been vague and unfruitful.* (a) Moreover, the changes of the thirty-three years had been so great that the form of his argument had become out of date. Mr. Curtis had studied these changes with a thoroughness that cannot be sufficiently praised. He knew his Dominions as no previous writer, save perhaps Mr. Jebb, had known them. Eloquent with a noble enthusiasm that was disciplined by the judgment of a statesman and by the habits of a student, he had planned a high solution which captured imagination and intellect, and made one believe that even in our time a Federal Union might be accomplished. Thus one thought on first reading, and on second reading. And though reflection led to clearer vision of difficulties, it did not diminish appreciation of the high service of the work that has been done by Mr. Curtis and the "Round Table." Perhaps no higher service has ever been rendered in the way of that sort of organised political education which must breed good fruit, whatever the name of the fruit may be.

An Independent Nation.

But the purpose of this chapter is to explain difficulties which make one think that the fruit will not be of the name which Mr. Curtis desires. They centre in the second fact which thinkers about Australia must have in mind—the fact that, while

* See note at end of chapter. Wherever a similar indication occurs, the reader will understand that the same direction applies

Australians are the most British people in the world, and more British now than ever before; they are also an independent nation. This is the fact which makes the form of Seeley's argument out of date. The Problem in the form in which he put it has already been solved, and the solution has been the solution which he believed would mean the end of England's history. Seeley's statement was that "the colonies" were "a part of" or "an expansion of" England. His fear was that they would become "independent nations." His hope was that England and they would be held together in a Federal Union on the model or analogy of the United States. (b) At present Australia is not a part or an expansion of England. A British Federal Union like the American Federal Union is impossible. Australia is an independent nation.

This is not to say that Seeley's argument was ill-founded. In 1883, and for at least seventeen years after 1883, Australia was neither a nation nor independent. Australia was a geographical expression. Six quarrelsome colonies waged tariff war upon one another, discussed their military relations with one another, disputed who should pay least towards the defence of Australia, and agreed that a British government that did not willingly pay these expenses out of the pockets of British taxpayers was a government of Little Englanders. In 1874 Australian statesmen urged the British Government to annex non-Dutch New Guinea, and at the same time made clear their expectation that, as a matter of course, the British taxpayer would pay the cost. (c) At the first Colonial Conference in 1887, they heard with undisguised amazement the opinion of the British Government that Australia ought to pay the expense of defending King George's Sound (Albany) and Thursday Island, and ought to contribute £126,000 a year towards the defence of Australian trade. (d) Were not King George's Sound and Thursday Island stations important for *Imperial* defence, and what had Australia to do with Imperial defence save to enjoy it? Was not King George's Sound

situated in Western Australia, and was not Western Australia "a Crown colony?"* Why should Tasmanians, for example, contribute to the defence of this distant Imperial position when Hobart itself was ill-defended? (e) "What particular interest" had West Australia in the annexation of New Guinea and the fortification of Torres Strait? (f) With vehement argument Australians bargained and haggled over every pound they were asked to pay for the defence, not of the Empire, but of the local interests of Australia. With eloquence they demanded that the British Government should undertake a brilliant colonial policy, and with eloquence they explained that "struggling dependencies" must, of course, be exempt from the brilliant expenses. Suggestions of closer union were rejected not on the ground now generally taken that closer union would diminish self-government, but on the ground that closer union would increase Australian taxation—"would involve," said the Colonial Prime Ministers in 1897, "a proportionate contribution in aid of Imperial expenditure, for which at present, at any rate, the Colonies generally are not prepared." (g) "We are looking to the Colonies as still children," Mr. Chamberlain tolerantly admitted, and the Colonial Prime Ministers gladly acquiesced in the just condescension. Australia was, in fact, still in status a child and in character a hobbleddehoy, dependent, exacting, bumptious. In such circumstances the best hope seemed to be that the robust and troublesome infant would come to realise that he had grown to manhood, that dependent "Colonies" would become integral parts of Britain, and that local differences would be reconciled with British unity by a Federal system like that of the United States. This was the hope of students like Seeley, and of statesmen like Chamberlain, (h) and it was, perhaps, the best hope that could have been got out of the facts and sentiments of the period from about 1880 to about 1900.

* Sir G. Berry: "King George's Sound is still part of a Crown Colony."

Development of Australian Nationality after 1900.

But after 1900 events took a new course.(i) The hobbledehoy became a man, but he dwelt in his own home. The geographical expression became a nation, and a nation that was determined to be independent. The "Colonial Conference," i.e., the meeting of Colonial representatives to give information to the Colonial Secretary, became the "Imperial Conference," which in 1907 Mr. Deakin defined with careful emphasis as "a Conference of Governments and Governments." The phrase—spoken in amendment of Sir Wilfrid Laurier's "Government and Governments"—meant that the Australian Government, to use Lord Milner's phrase, was equal to the British Government in status though not yet in stature. It was equal because it was equally willing to fight for its opinions with the full measure of its strength. An Australian army was formed, and every Australian was bound by law to fight in defence of Australia. The tiny contribution to the expenses of the British Navy was withdrawn, and Australians began to build a navy of their own on a scheme which proved that they were as ready as were the British to spend the last shilling on naval defence.(j) The change of sentiment was marvellous in its suddenness. In 1902 the Australian Parliament had with the greatest difficulty been persuaded to contribute £200,000, instead of £126,000, towards the expenses of the British fleet in the Pacific.(k) In 1909 the British Government offered an annual contribution of £250,000 towards the expenses of the new Australian fleet, and the British offer was refused. Australia was determined to pay the whole expense of the Australian fleet, and for the reason that Australia was determined to have the whole control of Australian policy.(l)

And Australian policy, in some matters, grew manifestly different from British policy. Australian statesmen were building a tariff wall which they hoped to make so "scientific" that it would

exclude all goods that could be made in Australia, and most of the goods that would be excluded were British goods. They passed Immigration Laws which, in spite of modification due to British protests, virtually excluded Britain's Asiatic subjects and the subjects of Britain's Asiatic ally. They declared that they had been deceived by the foreign policy of Britain in South Africa, protested against British misgovernment of a country which Australia had unhappily helped to conquer, and made clear that Australia would never again help Britain in a similar war.(m)

The feeling of hostility to British policy soon passed. When Sir Henry Campbell-Bannerman won the trust of South Africa he re-won the trust of Australia. Moreover, in 1909, Australia understood the Prussian menace, and eagerly seized each chance to co-operate with other British nations in organisation of common British defence. Never was national friendship stronger than the friendship of Australia to Britain after the Naval Congress of 1909, and the intimate conversations of 1911. If in the following years faith failed, the cause of failure was not in Australia but in Britain. Britain had reason to break her promise to co-operate with Australia in the Pacific, but she had no reason to break her promise without courteous explanation.* It was not a promise to protect a dependency; it was an engagement with an independent nation that was putting full strength into the common cause. Constitutional fictions remained untouched. Old talk was still talked. But the new fact was that Australia, while never so eager to help, and never so able to help, was determined to have independence of judgment and of action in regions far outside the powers, not merely of a dependency, but of States in any Federal Union that has ever been imagined. And the fundamental reason of this claim to independent power was not geographical

* See good discussion in *Round Table*, June, 1914.

remoteness but national character. Australia had views of her own, and was prepared to fight for them.

The Proposal of Mr. Lionel Curtis.

Mr. Curtis sees with remarkable clearness some large part of this new fact. He accepts Australian nationalism as a powerful and indestructible element in the problem of the Commonwealth. The Federation which he proposes is a Federation of a sort that has never before been imagined. It is to be a Federation of Nations. Australians must keep all the powers of self-government which they at present possess, and they must take whatever new power they "finally insist" upon taking. (n) But, in fact, they have not hitherto "finally insisted" upon taking power that would have led to political separation, and Mr. Curtis argues that they never will "finally insist" upon taking such power. Australian demands, remarkable as they have been, have always stopped short of a certain "line." Australians have "never as yet demanded or obtained any kind of political control of the policy which involves them in peace or war." They have claimed complete control of their tariff, but they have never used their power "in a manner calculated to involve the whole (British) Commonwealth in war," and for that reason "the Imperial veto to which all Dominion Laws are and must always remain subject" has not been "called into play." They have also claimed complete control of immigration, and have given the matter "a drastic handling;" but "in the end the steady pressure of the Imperial Government, backed by the power of the veto," has induced them to submit to a compromise that could be accepted by the British Government. They have insisted on the possession of a navy, but they have consented to "restrict their ships to certain waters adjacent to Australia, (o) and to describe them as 'His Majesty's Australian Navy;'" and, writes Mr. Curtis, "the ensign hoisted at the stern of each ship proclaims the fact that Australians were committed to risking their fleet in any war declared in

the name of His Britannic Majesty."* In short, Australian demands have not touched Foreign Policy. Australia has had no independent Foreign Policy, nor has Australia claimed share in control of the British Foreign Policy to which she is subject. In Foreign Affairs Australia is in 1916 what she was in 1883—not a self-governing Dominion, but "simply a dependency." In such circumstances it is both possible and highly desirable to establish a Federal Union that will not diminish that sort of self-government which Australia insists on having, and will add to it that other and higher sort of self-government which every nation must ultimately claim, viz., due share in the determination of foreign policy. Experience has shown that foreign affairs, i.e., affairs that involve the chance of war, may be separated from non-foreign affairs, i.e., affairs which do not involve the chance of war. In non-foreign affairs Australians must retain their present complete powers of self-government, which they will presumably continue to exercise without insisting on action which the Imperial Government would regard as likely to lead to war. Foreign affairs, on the other hand, will be controlled by a Federal Parliament and a Federal Cabinet, in which Australia will have due representation. Thus may Empire and Liberty be reconciled.

The Australian Answer.

It is a noble conception, based on careful study and built by careful thought, and to those who have intimate love both of Britain and of Australia it is splendidly attractive. Yet even one most captured by the argument cannot fail to observe that its conclusion is regarded with instinctive hostility by the great majority of Australians, and probably by the great majority in all classes, parties, and religions.† It seems to be a hostility that is the expression not

* *Problem of the Commonwealth*, p. 89.

†The hostility is expressed most vehemently by the Labour Leagues, by the Irish Catholics, and by the *Bulletin*. Observe, however, the criticism of the Victorian Protectionists as represented by the *Age*, and of the New South Wales Freetraders as represented by Sir George Reid.

of a transitory phase of opinion, but of the permanent national prejudice or principle of growth which has given direction to the constitutional developments of recent history, and will continue to give direction to the constitutional developments of the future.

Mr. Curtis' argument is based on the belief that the growth of Australian nationalism has reached its limit. Australians have never insisted on overstepping "a line," and he believes that Australians will, therefore, consent to the erection of a wall along that line which will permanently prevent them from overstepping it even if they should wish to do so. For the Constitution that is now proposed would build such a wall in one of two ways—either it would definitely limit Australian powers at the present "line," giving authority to Federal Judges to interpret and to enforce the limitation; or it would give power to the Federal Parliament, in which Australians would be a very small minority, to draw the line on each occasion precisely as it chose to draw it. Thus, for example, if the Britannic Federal Authority, Judicial or Parliamentary, regarded an Australian Tariff Law as getting over "the line" into the foreign sphere, then "the Imperial veto to which all Dominion Laws are and must remain subject" would be "called into play," and would kill that Australian Tariff Law with full weight of constitutional bludgeon. If the Britannic Federal Authority regarded an Australian Immigration Law as too "drastic" and offensive-looking, then "the steady pressure of the Imperial Government, backed by the power of the veto," would be exerted, with constitutional authority to *compel* a compromise. If the Britannic Federal Government, in which Australia, if lucky, might have one representative, were to pursue a foreign policy hated by every Australian, that Government would have constitutional power, drawing no "line" at all, to *compel* every Australian to pay the expenses of that policy at a rate determined by a mainly non-Australian Parliament. Should the Australian

Government protest against such a war, its protest would constitutionally be futile, for the Australian army and navy would be controlled by the Britannic Federal Government, and Australian soldiers and sailors would constitutionally be ordered to fight in the war which they hated.

In fact, the Britannic Federal Constitution, if built on the present "line," as Mr. Curtis sees it, would not only prevent the further growth of Australian national power, but would greatly diminish the national power which Australia now possesses, or, at all events, believes that she possesses. For Australians do not see "the line" that Mr. Curtis sees. They believe that they have already overstepped it, and that, where they have not already overstepped it, they have a right to overstep it if they choose to do so. The present "line" is a line that suits the convenience of the moment. It has so little straightness that one may dispute that it is a line at all. Australians will consent to no constitution which gives authority to non-Australians to limit the growth of Australian nationalism. This is, as I understand, the nature of Australia's answer to Mr. Curtis' proposals.

Let us examine the answer a little more closely.

Commercial Independence.

(1) Firstly, I do not think that Australia would accept a Constitution which limited her power to make what tariffs she chose and what commercial treaties she chose. It is true that Australia has never passed a Tariff Law which has called into play "the Imperial veto to which all Dominions are and must always remain subject." But it is also true that Australia does not believe that her laws *are* subject to the Imperial veto. The speeches of Mr. Chamberlain show how difficult it is for the most sympathetic Englishman to understand the ruthless national selfishness of Australian "scientific" Protectionism.(p) It is regarded as the indispensable armour of national economic life, and no non-Australian influence would be permitted to

loosen its joints. Australian statesmen will pass what Tariff Laws they think will most increase Australian prosperity. It is conceivable that they might discuss with other British Governments a Tariff Law that was thought likely to lead to war or to injure common plans of defence. But the discussion would be on very difficult ground, and a hint of veto would be the end of discussion.

Nor does it seem likely that Australia would sign away her right to make commercial treaties by her own will. It is true that Australia has never claimed this right, and there is no indication that she wishes to claim it just now. But she will claim it when she wishes to use it, or will perhaps use it without claiming it; and once more protest will have to come not by way of veto but by way of argument. In the end the Australian nation will use all those commercial powers which are used by the British nation. And they will do this in face of Lord Ripon's statement that "to give the colonies the power of negotiating treaties by themselves without reference to Her Majesty's Government would be to give them an international status as separate and sovereign States, and would be breaking up the Empire into a number of independent States." It was a wise statement in 1895, but in 1917 it is out of date. Power that could not be given to dependent "colonies" cannot be refused to nations that are already independent.(g)

Immigration Laws.

(2) Still more certain is it that Australians will not accept a constitution which gives authority to non-Australians to insist "by steady pressure backed by the veto" on the modification of Immigration Laws. It is true that in 1901 Australian statesmen were induced reluctantly to consent to an inconvenient change of method. But in this matter, more than in any other matter, words like "pressure" and "veto" must get out of use. There is ample room for equal and friendly discussion, but there is no room for compulsion. Com-

merce may be a thing of give and take, but White Australia is a thing of life and death. It is, perhaps, the only thing about which there is no difference of opinion; Imperialists (r) agree with Republicans, employers with workers, Catholics with Orangemen. For White Australia is not an opinion; it is the watchword or war-cry of a tiny garrison which holds the long frontier of the white world in face of the multitudinous and expansive peoples of Asia. The kindly speeches of the most sympathetic British statesmen, like Mr. Chamberlain* and Lord Crewe,† show again how difficult it is for non-Australians to understand the Australian position and the Australian mind. Th Australian motive is neither prejudice against colour, nor fear of lack of education, nor claim to superiority of civilisation. Australians believe in White Australia, but they believe also in Brown India, and in Yellow Japan.(s) They hold that it is not good that Indians and Japanese should live in Australia, and they also hold that it is not good that Australians should live in India or Japan. Their statement is that European and Asiatic civilisations are *different* civilisations, that experience proves it to be in the highest degree undesirable that peoples of *different* civilisations should live in the same country, and that in Australia it is *impossible* that peoples of different civilisations should live in the same country. In this matter Australia must be sole judge. There must be no "line" over which Australia is forbidden to step, there must be no Constitution which limits her power. She will gladly discuss the delicate problem with other British Governments. But in the end she must remain free to pass what laws seem to her to be necessary in defence of national life, and free also, if necessary, to fight for national life, with or without the help of other British nations.‡

* Speech to Conference of 1897.

† Speech to Conference of 1911.

‡ See very good discussions in Bean's *Flagships Three* and in *Round Table*, June, 1914.

Foreign Policy.

(3) It follows that Australians will not accept a Constitution which deprives them of independent control of army and navy. That independent control is an essential part of Australian nationalism as it has grown since 1900. It means that Australians perceive the duty of putting national strength into national defence. But it means, further, that they perceive that Australian policy may differ from British policy even in directions which touch the question of peace and war. It may be that Australia will pursue a commercial policy which gives offence, and a nation cannot argue without arms in hand. It may be that Australia will pass immigration laws too drastic to be approved in Britain, yet may prefer to risk war rather than yield to "pressure" and "veto." Australia cannot give her army and navy to a Government mainly non-Australian, which may have no agreement with Australian ideas, which may refuse to fight for vital Australian interests, and which may even refuse to permit Australians to fight for them.

There is another strong objection to the proposal that Australia should give up independent control of army and navy. If Australians gave up control of army and navy they would give up their present power to make effective protest against British foreign policy. If, in present relations, the British Government proposed to engage in a war which Australia considered unjust, the Australian Government could state that Australian ships and Australian soldiers would not fight in that war.(t) The probability is that the statement would save Britain from the iniquity of an unjust war. If Britain, in spite of protest, persisted, Australia would be able to save herself from share in that iniquity. If, on the other hand, the Australian army and navy were controlled by a British Federal Government, Australian Parliamentary votes might be disregarded, and Australian soldiers and sailors might be forced to fight at Australian expense in a war which Australia regarded as unjust.

It seems that Mr. Curtis misunderstands the growth of Australian feeling in this matter. He thinks that in 1916, as in 1883, Australia is in respect to foreign affairs not a self-governing Dominion but "simply a dependency" bound to fight in any war declared in the name of His Britannic Majesty. This was undoubtedly the sentiment prevalent in Australia at the outbreak of the Boer War in 1899. "As long," said Sir Edmund Barton, who at that time was perhaps the best representative of Australia, "as we are part of the Empire, when the Empire is at war with any other Power whatever, it becomes our turn to declare the motto, 'For the Empire, right or wrong.'" "The statesmen," wrote the "Sydney Morning Herald" in accurate description of the opinions of the majority of Australians, "who are charged with the direction of the affairs of the Empire must be explicitly trusted in all critical emergencies, and if they decide on war, it is not for distant and imperfectly informed, though loyal, dependencies to pass judgment on Imperial policy." "'Our country, right or wrong,'" said the same journal, "is a motto which appeals straight to the heart of those who know the history of our race, and of those who have made that history and are making it." These were the sentiments of the majority of Australians in 1899,(u) and they are sentiments that would easily justify Mr. Curtis' argument. Since the imperfectly informed but loyal dependency recognises its duty to fight, with the motto, "For the Empire, right or wrong," in every war declared by Imperial statesmen, its best plan will be to place its army and navy permanently under Imperial control, to seek to become somewhat less imperfectly informed by sending representatives to an Imperial Council or Parliament, and to learn—what it had not yet learned(v)—to take its due share in the expenses of Imperial Defence. These were, in effect, the views which the British Government, with mind full of "very great anticipations," laid before the Colonial

Prime Ministers in 1902. Logically the Prime Ministers should have accepted them, for they were in accordance with their own professions during the war. But they did not accept them, (w) and the reason was not merely the natural instability of the patriotism of "right or wrong," but also the fact that in 1902 Australia was beginning to cease to be a dependency and was beginning to feel the consciousness of nationhood and right of judgment.

If Mr. Curtis would realise the suddenness and completeness of the change he should contrast with the debates of 1899 the debates of 1904. With the words of Sir Edmund Barton in 1899, he should compare the words of Mr. Deakin, his successor as Federal Prime Minister, in 1904:—"We were told at the outbreak of hostilities in South Africa that it was a war for the miners of the Transvaal. If the authorities had gone on to say that it was a war for Chinese miners, what a different aspect it would have worn! We were told that it was a war for the enlargement of the franchise and to secure increasing self-governing powers. But whose franchise? The Chinese franchise? Whose self-governing powers? The self-governing powers of Asiatics? *Why were we not told of this outcome at the commencement of the struggle? We should then have said: 'Keep your mines; your cheapness is too dearly purchased. It is not to be bought with blood. No Empire can be made strong by such means.'*" This is not the language of the "loyal dependency" contentedly ignorant of foreign policy, and always ready to fight in every Imperial war with the motto, "For the Empire, right or wrong." It is the language of the independent Australian nation, more eager than ever to fight with full strength by the side of other British nations in every just cause, but determined in the future never again to fight till the justice of the cause has been proved. And a nation that has this mind must have army and navy in its own control.

The Status of Sovereignty.

The conclusion seems to be that Australia will not accept limitation of national power, and therefore will not accept a Federal Constitution even of the most liberal and elastic type. It is in the Australian mind eventually to use all those powers which Britain possesses, and which Britain, one feels certain, will never abandon. In other words, it seems probable that Australia will, in the end, become, like Britain, a separate independent sovereign State. Constitutional changes will in the end be made to express the fact that Australia is no more a dependency of Britain than Britain is a dependency of Australia. And these changes will not be, as Mr. Curtis thinks, "revolutionary" changes, for the revolutionary changes have already happened. They happened when a dependency became a nation. The changes that will happen in the future are the minor changes of method and of language that correspond to the already accomplished change of fact.

It does not in the least follow that the union of the two nations will be less close or less strong in the new relations than in the old relations. On the contrary, it is certain that their union in defence of British ideas will be far closer and stronger than ever before. For effective union is built not on constitutional machinery and constitutional fiction, but on recognition of community of ideas and of common duty to fight for them. And the fact is that the more independence Australia has possessed, the more vividly has Australia recognised her spiritual kinship with Britain, and the more eagerly and faithfully has she stood with men and arms by Britain's side in defence of the common idea. We are now in position to see that, in the nineteenth century controversies, British Liberals, like Cobden and Gladstone, who favoured the growth of self-government and independence in the colonies, favoured the only process that could lead to permanent and effective union, while "Imperialists" who, like Disraeli, urged "a great policy of

Imperial consolidation," urged a course which, as Prof. Egerton has said, "would have wrecked the Empire." The "Imperialist" denunciation of "independence" was based on the old conservative imagination that "independence" means disunion. Experience has proved the democratic position that among nations, as among citizens, independence means the opposite of disunion. Australia became independent because Australians were British, and because being British they made Australia not a part of Britain, but another Britain. Australia independent is far more British than was Australia dependent, and will therefore be far more strongly by the side of Britain in every fight for Justice and Liberty.

The Method of Consultation.

It follows that the constitutional machinery for the new time is not a Parliament with power to compel, but a Conference that gives opportunity for explanation and argument. No student can read the records of the Colonial and Imperial Conferences without perceiving how great are the services they have rendered, and without perceiving, also, how much greater are the services which they will render in the future, as the new relations are better understood, and as the new problems are gradually solved by statesmanship working in midst of experience. It belongs not to the academic mind to debate the many proposals that have been made for improvement of the machinery for consultation. These are the details of high statesmanship, and will be determined by the high statesmen. One must believe that in one way or in another way consultations will become more continuous, more intimate, more effective. It is possible, as Mr. Herbert Samuel and Lord Bryce* have suggested, that the Conference may grow into a Council and Ministry with power to *recommend* measures to the Parliaments of Britain and the Dominions. One great advantage of the proposal is that it would enable

*Dominion number of the *Manchester Guardian*.

representatives of all parties to share in the education of Imperial discussions. But I doubt that Australia would listen willingly even to a *recommendation* from non-Australian statesmen. Probably no better plan can at present be adopted than that which was adopted in the Naval Conference of 1909, in the secret discussions of 1911, and in the Imperial War Conference of 1917, i.e., the plan of intimate consultation. (x) If Australian statesmen have knowledge of the facts and of the fears they will give more help than Britain will ask; or, at worst, they will give far more help than would be given under any system of compulsion.

But the new Union will be based not on constitutional machinery, but on the spirit of those who unite. What will be most needed will be a better understanding among the British nations, a more definite recognition of community of ideas and community of interests, a stronger common will to act together in defence of those things which are dear to all. And it should be one main business of statesmen to seek to attain these things.

Preferential Trade.

It has been contended that they will best be attained by the construction of a system of Preferential Trade between the British nations. Those who have common commercial interests will desire closer political union. British nations cannot have the same tariffs, but they can create a common interest by favouring one another in commercial treaties. If they do not make favourable treaties with one another they will make favourable treaties with foreign nations, and such treaties would loosen British political ties. On the other hand, commercial treaties between British nations would create a community of interest which would find expression in political forms. The usefulness of Imperial Conferences would be increased and the desire would grow to act together in defence of common interests.

The argument thus presented has evidently a certain degree of cogency. There are few who will deny that it is desirable that the British nations should have common commercial interests, and that in order to get the sense of community of interest it would be wise to make some pecuniary sacrifice. Australia, for example, is doing well in admitting certain British-made goods at a Custom-rate lower than that which is charged on foreign-made goods. Britain might perhaps do well if she were to charge less duty on Australian wine and on South African tobacco than on foreign wines and tobacco. Yet it seems to me that the importance of the argument has been greatly and mischievously exaggerated—mischievously, because it has been so urged as to make men forget that it is a very minor argument, and that there are other arguments of importance incomparably greater. We have been told that the permanent union of the British nations is impossible except on the basis of preferential trade. Australia's reply—the reply made at Anzac, in France, and in Flanders—is that the basis of political union with other British nations is a consciousness of racial and spiritual kinship, which is of such strength and vigour that it will never be either considerably increased or considerably diminished by commercial treaties.

One gets the impression that the argument of statesmen like Mr. Chamberlain and of writers like Mr. Jebb was mainly determined by their understanding or misunderstanding of the political mind of Canada. Though the Federation of Canada took place long before the Federation of Australia, the growth of the spirit of independence was far less rapid in Canada than in Australia. While Australia prepared to stand full armed in her own defence and in defence of the Empire, Canada was content to remain dependent, and seemed to doubt only whether she should depend most on Britain or on the United States. It was, perhaps, reasonable to argue that the doubt would be determined by commercial treaties, and that Canada would make political union

with the Power which bought most Canadian wheat.(y) But there has never been any doubt in the Australian mind. Treaty or no treaty, Australia stands pledged in faith to the British cause.

In point of fact, Mr. Chamberlain's proposals were of little interest to the people of Australia, and the opinions of politicians and newspapers were by no means wholly favourable. In New South Wales, the most populous State, the proposals were generally condemned. The opinion was that the sacrifices which they called upon the people of Britain to make were so serious that the event would be a feeling of just resentment at the selfishness of the Dominions. Sir George Reid, the statesman who best represented New South Wales at that time (1903), said that his blood boiled at "the cool inhumanity of burdening the British people with taxes on food," deplored Mr. Chamberlain's "melancholy declension," and rejoiced over his defeat. The "Sydney Morning Herald" wrote about the crippling effect of "the bandages on a Chinese lady's foot," while the "Sydney Daily Telegraph" said, in an article headed "Mr. Chamberlain's Apostasy," that if a "tariff chain" were "forged round the various countries" it would gall them "until they burst it—and perhaps the Empire—into pieces." Among Victorian politicians, on the other hand, the feeling was strong in favour of Preference. They were, as always, fighting for a higher tariff, and their plan was to give preference, not by lowering the duty against British goods, which they declared to be a thing unthinkable, but by raising the duty highly against foreign goods and slightly less highly against British goods. To them Preference was something doubly good. It would at once give them fuller admission into the British market, and a fuller share of the Australian market. Some hot words were used in denunciation of the selfishness of the people of Britain in refusing to tax their bread. The "Age" declared that the British had lost their first Empire by taxing tea, and might lose their second Empire by refusing to tax bread.(z) The

nasty and disloyal sentiment indicated a curious survival of the spirit of the "struggling dependency," insolently demanding favour from the "Mother Country." But there was, I believe, even then very little of this spirit among the *people*. It has certainly no place in the loyal and independent nation of to-day. If Britain had taxed foreign wheat to the utmost of Mr. Chamberlain's suggestion, not one more soldier would have sailed to Gallipoli.

Spiritual Kinship.

What sent them to Gallipoli was strong and vivid sense of spiritual kinship. The strength of the Britannic Union is the strength of that sense, and the weakness of the Union is the weakness of that sense. And there *is* a weakness in the Union. It was shown when Australia refused to accept the principle of *compulsory service outside Australia* during the present war. And the cause of that refusal was not merely objection to the principle of compulsory service which had already been accepted for the local defence of Australia. There was also, especially among the manual workers, a lack of complete trust in the British Government, a feeling that it did not completely represent the ideas of Australia. Above all, there were two facts that weakened enthusiasm. There was the memory of the Boer War and the consequent introduction of cheap Chinese labour into a British colony; the uneasy suspicion that in this war also finance might be pushing under cover of democratic argument, that here again, perhaps, something had not been "told." And there was the belief that the Irish Home Rule Act, passed after endless discussion by the British Parliament, had been torn up by Conservative Army officers, and that the British Government and Parliament had submitted to their will.^(aa) In an unfortunate moment, the Australian Democracy was reminded of differences about great political commonplaces, and the sense of spiritual kinship became cool and doubtful.

These differences are and will be the main weaknesses of Britannic Union. They have apparently been little studied by Mr. Curtis, yet they are one

main root of the Australian objection to his proposals. Australian manual labourers who, except when they destroy themselves, are the rulers of Australia, denounce closer union with Britain with so much bitterness because in their opinion the ideas of Britain are different from the ideas of Australia. There are British ideas both in Britain and in Australia, but they are British ideas in different phases of development. Australian ideas are the expression of a civilisation and a temperament that have become distinct from the civilisation and temperament of Britain. In Britain there are strong democratic influences, but there are also strong anti-democratic influences. An hereditary monarchy still has political power and is still invited by malignants to use it. Hereditary legislators have political power. The Anglican Church has political power. Army officers can defeat the Parliament. Landlords and capitalists mainly rule the political world. The Tory or Conservative party is an organisation of all the influences opposed to democracy, and when its leader, Mr. Balfour, after the crushing electoral defeat of 1905, remarked that, whoever won general elections, Conservatives always rule Britain, there was a great deal of truth in what he said. In Australia there are none of these anti-democratic influences. There are no Tories, though there are some who would like to be Tories. There are no Tories because there are none of the instruments with which Tories do their work. There was a proposal in the 1850's to have hereditary legislators, but the proposal was laughed to death. The "solemn plausibilities" for which Burke demanded reverence appear in Australia to be neither solemn nor plausible. Church and army have no political power. Landowners and capitalists are checked by laws and by arbitration courts, and mainly serve the public weal. Australian Conservatives call themselves "Liberals," and they are probably as democratic as are the Liberals of Britain. Australia is a Commonwealth, and the Commonwealth is ruled by an industrial democracy.

And the industrial democracy has its own aims and its own hatreds. It has established something approaching equality of opportunity in political and social life. It has established the doctrine that manual workers must have good wages and good leisure. Its foreign policy has been the defence of its social policy. Jingoism has had no chance. Five million men possess a continent, and they are almost satisfied. They are always busy fighting one another, and have no time for the foreigner. There is a strong disposition to believe that British "Imperialists" are always trying to drag Australia into the "vortex of European militarism." The Australian worker is aware of the big differences between Britain and Australia, and he makes them bigger than they are. He is disposed to think that a British Government is usually a Government of plutocrats and jingoes. If you recommend closer union with Britain he will denounce the sins of Lord Beaconsfield, Lord Milner, Sir Edward Carson, and Lord Northcliffe, and will declare that "there can no more be a sane Imperialism than there can be a healthy form of leprosy." (bb)

It seems evident that this vehement and exaggerated sense of difference of mind is the main cause of weakness in the Britannic Union. It does not destroy the sense of kinship, but it cools it. At present the general temper of the Australian worker towards Britain seems to be a temper of rather careful friendliness. Let us help this plutocratic and jingoistic British Government when, to our mind, it deserves help. Let us stand aside when, to our mind, it seems to act amiss. But, above all, let us make sure that we keep full power to use our Australian mind. Let us denounce any proposal that may give the British Government power to restrain Australian effort to achieve Australian aims.

The work of those who desire the closer union of Britain and Australia must be to remove the differences and misunderstandings which now damp the fire of kinship. It is not possible that the two

nations should have the same opinions, but it is possible that they should have the same spirit and the same faith. That community of spirit and of faith will be one great fruit of the victory of democracy in Britain. Democracy, said Arnold Toynbee, saved Industry. Some day, perhaps, Democracy will save the union of the British nations. Australia will never make closer union with the Britain of Beaconsfield, of Milner, and of Carson. But Australia will make closer union with the Britain of Gladstone, of Campbell-Bannerman, of Lloyd George, of Redmond, and of the Labour party. The victory of pacific democracy in Britain will cement the union of the British nations in defence of the British ideas.

Meanwhile it is important that the Democracy of Britain should give evidence that it is alive. Australian workers are singularly ignorant of the workers of Britain, of their struggles, their defeats, their victories, their hopes. There are no daily Labour papers, and the weekly Labour papers show little interest in the politics of Britain. The cablegrams of the daily press are supplied by London Conservative journalists, and in critical junctures foster the opinion that in Britain Conservatism is always the truth, and democracy always the enemy. Nor is much light given by British statesmen. Few British statesmen come to Australia. Lord Rosebery came in 1883, and afterwards said that his travel had made Imperial Federation the "dominant passion" of his life. His name is still attached to a Sydney racecourse, where he is no doubt considered a good sport; but he has never returned to Australia, and one does not remember what he has said about Imperial Federation during the last twenty years. Since his visit two British statesmen, and only two, have been in Australia for a few weeks—Mr. Ramsay Macdonald in 1906, and Lord Bryce in 1912. It is sad that British statesmen have no knowledge of Australia; they would, perhaps, get better inspiration from view of illimitable democracy than Mr. Chamberlain got from view

of illimitable veld. But it is, perhaps, still more sad that Australia has no knowledge of British statesmen. Australian workers do not realise that there is a democratic and pacific Britain as well as a plutocratic and jingoistic Britain, and this lack of realisation prevents them from giving just consideration to proposals of closer union. To them closer union means "Imperialism," and "Imperialism" means the spirit of Beaconsfield and his successors—the spirit of ascendancy that seeks to gain mastery over other men and other nations by superiority in ships, men, and money. "Imperialism," they say, "is the implacable enemy of Democracy," and therefore Imperialism is "a red plague." British Democracy should send its statesmen to Australia to explain that two Democracies when added together do not make one Imperialism.(cc) When that argument is understood it will be possible to discuss proposals like those of Mr. Curtis in good atmosphere, and without the instinctive adverse prejudice which at present clouds the reason. Meanwhile we must learn to be content with the simple fare of a close alliance, an alliance that will be as strong and as permanent as will be the British ideals that have made it. Better things, perhaps, remain, but for them we must, in Cromwell's phrase, "wait upon the Lord's leisure."

Postscript.

The present position can, perhaps, best be understood by taking as texts Mr. Hughes' explanations of the reasons and the consequences of his insistence that Australia must speak as an independent nation in the Peace Conference and in the League of Nations.

"It was abundantly evident," said Mr. Hughes to the Australian Federal Parliament on the 10th of September, 1919, "to my colleague and myself and the representatives of the other Dominions that, if the Peace Conference were to complete those terms to the satisfaction of Australia, Australia must have separate representation. Consider the circumstances of this Empire, its vastness, the diversity of interests which it covers. Consider it geographically, industrially, and politically, and you will see that

no one could speak for Australia but those who speak on behalf of Australia. Britain could not, in the very nature of things, speak for us, because she had very many interests concerned. It was therefore necessary—and this applied to the other Dominions as well as ourselves—that Australia should be represented, not, as was at first suggested, in a British panel taking our place in rotation, but with every other belligerent nation. This was at length accepted, and to Australia, and to every one of the self-governing Dominions, separate representation was conceded. To us was given recognition of Australia as a nation. We entered into the family of nations on a footing of equality. . . . Here was Australia, an outpost of the Empire, called upon to defend, amongst other things, *a policy which cannot be understood, and which was not understood by those with whom we were conferring.* I speak of the policy of White Australia. Imagine to yourselves the difficulties of the position, the clashing of warring interests all over the world."

The declaration that "no one can speak for Australia but those who speak on behalf of Australia" was the Australian Declaration of Independence, and a Declaration of Independence must, as Mr. Hughes has explained, have constitutional consequences.

"It goes without saying," he stated in a conversation before leaving England, "that the constitutional position of the Commonwealth has undergone a fundamental change by the fact that she has become one of the signatories of the Treaty of Versailles. In the first place, she is now a member of the League of Nations, being classified among the 'small nations,' and entitled to send one representative to the Assembly of the League. In the next place, her position as a member of that collection of nations which men call the British Empire has undergone a vast change. It is obviously impossible that the precise relationship which at present exists between Great Britain and the self-governing Dominions can continue. It would appear that the connection must become different in kind, though I am not prepared to say that it must become closer or the reverse. And here I should like to state quite definitely and precisely that I am irrevocably opposed to what is called Imperial Federation. I am of opinion that each part of the Empire should develop along its own lines, thus maintaining the policy by which the Empire has grown up, each part developing without outside interference."

"Neither the Dominions nor Britain," Mr. Hughes has explained in a recent speech, "will surrender

one jot or tittle of their political independence. The idea of an Imperial Parliament is a vision which can never take substantial shape, for it is incompatible with the status of sovereignty which the Dominions jealously prize. But we must hope that means somehow will be found whereby the confederation of free nations can work on lines which they can develop."

It is certain that in these passages Mr. Hughes expressed the mind of Australia, and it is well that we should realise the position that has been reached. The "nation" that "jealously prizes the status of sovereignty," that insists on speaking with free, loud voice in conference of equal nations, that joins with full right in discussion and settlement, not only of Australian affairs, but also of European affairs and of world affairs, that makes treaties and can refuse to make treaties, that will accept no limitation of its power to make whatever tariffs it pleases, that has army and navy in its own control, and gives notice of resolution to fight for a policy which other nations, including the United Kingdom, "do not understand"—the nation that possesses these powers and does these things is a nation independent in all respects, including control of foreign policy.

A Source of Strength.

Mr. Hughes describes the change that has taken place as "a fundamental change." It is rather, perhaps, the sudden completion, owing to sudden danger, of changes that have quietly grown in mind and in practice in the course of the twenty years after federation. The Australian mind during those years learnt to regard problems from a new point of view—the national point of view. Australia claimed, or used, national rights, and, with equal pace, undertook national duties. The "fundamental change," long in process, is now completed, and it is well that both process and completion should be understood. There must be recognition both of greater right and of greater

duty. Alterations of method and of language must follow that will distress sensitive conservative instinct. But the result should be not the weakening but the strengthening of the common will, in all members of "that collection of nations which men call the British Empire," to think and act together in service of common British ideals. Means *will* "somehow be found whereby the Confederation of Free Nations can work on lines which they can develop."*

This postscript is a reprint of an article contributed by me to the "Manchester Guardian." In the writing of the chapter I have made free use of other articles contributed by me at various times to that journal.

* Dominion number of the *Manchester Guardian*.

NOTES.

(a) The suggestions of wise men in 1883 were bound to be vague, and their fruit was the education of mind rather than the change of institutions. Seeley's teaching was a large cause of the foundation of the Imperial Federation League. "Those of us," writes Lord Bryce in the Dominion number of the *Manchester Guardian*, "who founded that body found it hard in that day to command public interest or secure public support for their ideas. Opinion was lukewarm at home, and even more lukewarm in Canada or Australia. Without active sympathy in the colonies little progress could be made, so the League was ultimately dissolved." The League, however, had done good educational work, and had helped to induce the Government to summon the first colonial conference in 1887. Opinion in New South Wales and in Queensland was rather hostile than lukewarm. The *Sydney Daily Telegraph* said that the invitation to the Conference was "sinister and most ill-omened," and the Government of New South Wales explicitly forbade its representatives to discuss Imperial Federation. The sentiment in Queensland was still more hostile.—(See Dilke's *Problems of Greater Britain*.) The Queensland Parliament refused till two years later to endorse the Naval Agreement that had been accepted by the Australian representatives at the Conference.

(b) "The four groups of colonies may become four independent nations. . . . The other alternative is that England may prove able to do what the United States does

so easily, i.e., hold together in a Federal Union countries very remote from each other. In that case England will take rank with Russia and the United States, and in a higher rank than the States of the Continent."—*Expansion of England*, p. 15.

(c) In 1875 the British Government promised to annex non-Dutch New Guinea if the Australian colonies would pay the expense of government. It was not till 1883 that the colonies promised, very grudgingly, to pay part of it. The expense of naval defence would still wholly fall on the British taxpayers. It seems difficult to blame the hesitation of the British Government which gave Germany the opportunity to annex the northern part. The main fault was the delay caused by the unreasonable unwillingness of the Australian colonies to "bear the cost of an enterprise in which," wrote Sir Michael Hicks Beach, "this country (Britain) is not directly concerned except in so far as it is of interest and importance to those colonies."—(See good discussion in Scott's *Short History of Australia*.) When the British Government annexed South-east New Guinea, the Australian promises to pay part (£15,000) of the expenses of administration were not kept. South Australia withdrew, and other colonies thought of withdrawing. It was impossible for the separate colonies to give the "effective guarantee" which the British Government demanded.

(d) In 1881 a conference of Colonial Premiers had unanimously expressed the opinion that, "considering the large Imperial interests involved, the naval defence of these colonies should continue to be the exclusive charge of the Imperial Government, and that the strength of the Australian squadron should be increased." The Premiers pledged themselves "to use all legitimate endeavours to procure the efficient fortification and land defence of the several ports of the Australian colonies at the expense of the several colonies interested." But their argument was that King George's Sound and Thursday Island were not colonial ports but Imperial fortifications and coaling stations, which the Imperial Government should protect as it protected, for example, Gibraltar. "It has come upon us with surprise," said Sir Graham Berry at the Conference of 1887, "to learn that the Imperial Government treats King George's Sound differently from the other coaling stations of Imperial importance," and the Premiers said "Hear, hear!" They agreed that they now heard "for the first time" that the Imperial Government did not "admit the principle of sharing at all in the cost of the land defences of Australia."

(e) Mr Douglas said in the Federal Congress of 1886:—"This Colony (Tasmania) had undertaken a very considerable expense in its own defence works, and it could not see why it should be called upon to disburse other moneys

for the defence of Albany, considering how small an interest it had in that particular colony, and how great an interest Great Britain had in comparison."

(f) Mr. Service said in the Federal Congress of 1886:—"Some of the Colonies have a greater interest in New Guinea than others. The Colony with the premier interest in New Guinea is Queensland, and as we come down the coast line further south and west the other colonies have comparatively no interest in it at all. Take West Australia, which is at the very opposite corner of the mainland to Queensland: what particular interest has it in the annexation of New Guinea?"

(g) Perhaps the most representative of the Prime Ministers of 1897 was Sir George Reid, of New South Wales. The record of speeches of 1897 has never been published. But no doubt the tenor of their criticism of Mr. Chamberlain's proposal is indicated in the following passage from a speech by Sir George Reid in 1902:—"When Mr. Chamberlain speaks of sharing the control and management of the British Empire, I ask what share had Australia in adding 4,000,000 of square miles of territory to the Empire in the last fifteen years? What share have we had in increasing the burden of taxation in the mother country to such a marvellous extent? When a distinguished statesman like Mr. Chamberlain talks about Britain staggering under the burden of Empire, the people of England might well inquire how it is that their burdens have been increased to such marvellous extremes during the past six or seven years."

(h) In 1902 Mr. Chamberlain said that "political federation" was within the limits of possibility," and that "difficulties almost if not quite as great had been surmounted in the case of the United States." It is evident that Mr. Chamberlain's ideas and phraseology were a good deal influenced by Seeley's "Expansion."

(i) This phrase perhaps makes the change appear more sudden than it was. The idea of independence was in the Australian mind long before the foundation of the Commonwealth in 1900. Its growth was, in fact, a main *cause* of the Federal movement. Though Australian statesmen in the eighties were somewhat slow to recognise the obligation to share in naval expenses, they astonished British statesmen by the generosity of their expenditure on local land defence. Small, also, as was the Australian naval contribution after 1887, it was the *first* recognition of the duty of colonies to take permanent share in naval defence, and Mr. Deakin rightly foretold that this "new departure" would lead to a "gradual assumption of all the responsibilities of maturity." The contingent sent by New South Wales to the Soudan in 1885 was a remarkable illustration of the growth of sense of duty, and consequently of sense of independence. "We are no longer a

Dependency," said Sir George Dibbs. The feeling of nationhood is perhaps best illustrated during this period by the speeches of Sir Samuel Griffith and Mr. Deakin. Already in 1886 and 1887 these statesmen planned an *Australian* navy. When this growing national idea found expression in the foundation of the Australian Commonwealth, it made use of the new opportunity with wonderful energy.

(j) Admiral Henderson's scheme of 1911, which was accepted by the Australian Government, was based on the assumption that Australia, in proportion to population and trade, was prepared to spend as much on the navy as was Britain.—See very good explanation in Bean's *Flagships Three*.

(k) Sir Edmund Barton, the Australian Prime Minister, while denouncing "the silly argument that Australia should pay in proportion to her population or in proportion to her fleet," thought that Australia could afford to pay £200,000 out of a total British Navy Bill of £35,000,000. If the people of Britain could pay at the rate of 15/- to 17/- a head, the people of Australia could afford to pay at the rate of 1/0½ a head, instead of 8d. a head as before. Sir George Reid, the leader of the Opposition, did not object to the payment of 1/0½, but he objected to the proposal that the squadron, hitherto tied to the Australian station, might be moved by the British Government to the China or East India stations in order to act against possible vessels that threatened Australian trade. He opposed this proposal on the ground that it was part of Mr. Chamberlain's scheme to induce Australia to bear part of the burden of "the weary Titan." "We find," he said, "the Imperial authorities profoundly eager to draw us all into partnership, while on the part of the self-governing States of the Empire there is a profound disinclination to adopt that course."

(l) Mr. Fisher, then leader of the Opposition, expressed the fear that the acceptance of money from the British Government might be thought to mean admission of a claim of that Government to control the fleet, "whereas we hold that the sole control of the fleet must be with the Commonwealth."

(m) The resolution passed by the two Houses of Parliament—by the Senate without division, and by the Representatives by a majority of 54 against 5—was as follows:—"That this House records its grave objection to the introduction of Chinese labour into the Transvaal until a referendum of the white population of the colony has been taken on the subject, or responsible Government is granted." Mr. Hughes, the present Prime Minister, said:—"If it be said that we are again ready to fight in such a cause, I declare that so far as I am concerned it is not true. We are ready to fight in a good cause, no matter in what part of the Empire. But it must not be in the cause of chicanery and bribery, corruption and rottenness reeking out of every pore,"

(n) "That in the last analysis the colonists were free to decide all things for themselves, even the nature of their citizenship, was accepted as *articulus stantis aut cadentis Imperii*, the cardinal principle of Imperial policy."—*Problem of the Commonwealth*, p. 46.

(o) The boundaries of the Australian naval station have been so drawn that "the only non-British territory enclosed in it is a generous section of Antarctica; so that the Commonwealth Government is effectually shielded from direct contact with any alien community except the penguins at the South Pole. The Australian Government cannot at present send a ship even to New Zealand without notifying the British Admiralty."—*Round Table*, June, 1914, p. 46.

(p) Mr. Chamberlain's speeches showed an astonishing ignorance of the notions of his allies, the Australian Protectionists. "The colonies," he said, "will be inclined to frame their future tariffs upon natural and not upon artificial lines, not encouraging the manufacture of articles which it is possible to buy cheaper." And, again: the colonists "would reserve for us trade we already enjoy, and would not arrange their tariffs in the future to start industries in competition with ours." Yet at that very time Mr. Deakin, who had made "the offer" which Mr. Chamberlain was using as a main argument for the taxation of foreign flour, was complaining that the Australian tariff was too little "scientific," and was urging Australians to increase and to extend it until "you will have your own goods made here, where they ought to be made." One important aim was to stop the "dumping" of British goods into Australia.

(q) Cf. Keith's explanation of the claims to commercial sovereignty recently made by the Dominions: *Imperial Unity and the Dominions*, Chapter XIII.:—"It became clear that it was no longer possible, in view of the attitude of the Colonies, to continue the practice of making commercial treaties binding on the Empire as a whole" (p. 263).

(r) Cf. the very strong expressions of Sir Joseph Ward. "The one thing that would make Australians and New Zealanders turn and fight against their own flag would be an attempt to force them to admit these aliens."—Quoted by Jebb.

(s) Cf. Sir Joseph Ward in Conference of 1911 on "the desirability of having all our races kept to their own zones." "The Japanese do that to a large extent now. . . . It is just as much important to the Chinese to preserve their race as it is to the British people to preserve a white race, and to the Japanese to preserve their race: and so it is with the Indians." It is of the very greatest importance that Asiatic peoples should be helped to understand the nature and motive of the Australian argument; to understand, especially, that it is an argument based on a conception of the right, not of Australia only, but of all

nations. See a fuller discussion of this subject in Dr. Harper's chapter on "White Australia."

(t) Note for example Mr. Deakin's insistence, in speech to the Commonwealth Parliament in December, 1907, that "the control of vessels built and maintained at Australian expense *must* remain with its Parliament, which would place them under the (British) Commander-in-Chief *when- ever that was deemed necessary.*" "In time of war they would almost certainly be placed by the Commonwealth Government of the day directly under the Admiral commanding the Eastern Squadron." But "it must be clearly understood that the *decision must rest absolutely in the hands of the responsible Government of Australia when the emergency arises.*" Mr. Fisher, speaking for the Labour Party, then in opposition, said:—"We hold that the *sole* control of the fleet must be with the Commonwealth." The defence scheme adopted by the Imperial Conference of 1911 says:—"In time of war, *when* the naval service of a Dominion has been put at the disposal of the Imperial Government by the Dominion authorities, the ships will form an integral part of the British Fleet."

(u) *e.g.*, Sir William Lyne, the Premier of New South Wales:—"I am not going into the merits of the war at the present time; but I say that once war is entered upon, it is our duty to support the Imperial Government in the step which they have taken." Mr. Wise, by far the ablest member of the Ministry, said:—"It is not for us to question the right or wrong if our country is at war."

(v) Mr. Chamberlain pointed out that while Britain had spent on the war 107/2 per head, New South Wales had spent 5/9 (including private contributions) and Victoria 2/3. The annual military and naval expenditure was 29/3 per head in Britain, 3/5 in New South Wales, and 3/3 in Victoria.

(w) The British Ministers' "very great anticipations" were:—(1) "A real Council of Empire;" refused. (2) Free-trade within the Empire; refused. (3) "A special body of troops ear-marked for Imperial service;" refused. (4) A much larger naval contribution; about one-half of the sum asked was very grudgingly given.

(x) The Imperial War Council of 1917 expressed the opinion that "the readjustment of the constitutional relations of the component parts of the Empire . . . should recognise the right of the Dominions and India to an adequate voice in Foreign Policy, and in Foreign Relations, and should provide effective arrangements for continuous *consultation* in all important matters of common Imperial concern, and such necessary concerted action, founded on *consultation*, as the several Governments may determine.

(y) The argument, however, seems to have been answered (1) by the refusal of Canada to make a commercial treaty which, it was feared, would loosen the political connection with Britain; (2) by the immediate and fervent participation of Canada in the war; and (3) by Canada's evident determination to take a larger share in the expenses of common defence.

(z) "A 'certain tea tax' lost America to the Empire, and it may be, as Mr. Chamberlain thinks, that a persistently anti-preferential policy in England may be taken as a hint that we should shift for ourselves. Our self-respect would doubtless make us quick to accept such a hint."—*Age*, 12th October, 1903.

(aa) It was believed that the neglect of the British Government to suppress the organisation of rebellion in Ulster was due to the fact that the army officers were avowedly in sympathy with the proposal of rebellion. It was believed that the correct answer to Mr. John Ward's question: "Are the people of this country free to make their laws absolutely without interference from the King and the Army?" was in the negative. It was believed that, after the outbreak of war, the British Unionists and the War Office combined to make certain that the Home Rule Act would never be enforced. These beliefs were one main cause of the defeat of the proposal of compulsory service in the war.

(bb) See correspondence on "Imperial Federation" in the *Australian Worker*, January and February, 1917.

(cc) Cf. General Smuts:—"I think the very expression 'Empire' is misleading, because it makes people think that we are one community, to which the word 'Empire' can appropriately be applied. Germany is an Empire. Rome was an Empire. India is an Empire. But we are a system of nations. We are not a State, but a community of States and nations. We are far greater than any Empire which has ever existed, and by using this ancient expression we really disguise the main fact that our whole position is different, and that we are not one State or nation or Empire, but a whole world by ourselves, consisting of many nations, of many States, and all sorts of communities, under one flag."

CHAPTER XI.

AUSTRALIAN PROBLEMS IN THE PACIFIC.

By H. S. Nicholas,

There have been two periods in our history during which the future of the islands of the South Pacific has occupied a prominent place in the attention of the Australian people. The first may be said to have ended with the establishment of the Protectorate in New Guinea, the second to have begun with the general settlement which followed the Spanish American war. The problems of the first period differ essentially from those of the second. To-day the future of Australia is touched by all the movements of a new world which then had hardly come into existence, by the progress and aims of Japan, by the policy of the United States, by her development into a great naval and military power, and by competition for the Chinese markets. Social and economic considerations bring Australia into direct connection with the changes of opinion in British India. Our relations with the Pacific Islands, and with New Guinea in particular, must vitally affect our attitude towards the commercial and constitutional reorganisation of the Empire. The solutions achieved or attempted in the past give us very little help in approaching the problems of to-day. Nevertheless, they cannot altogether be omitted from a chapter on Australian problems in the Pacific. They throw light upon a critical period in the history of the relations of the Australian Colonies with each other and with the Imperial Government. They answer a perpetually recurring fallacy. If anyone still believes that the expansion of the

British Empire has been dictated by avarice dressed up in the appearance of a paternal altruism, he should compare the efforts of successive Secretaries of State to avoid responsibility, with those of the men on the spot, to show that where primitive races have been exposed to contact with white men nothing short of annexation is either just or humane. The conditions of the peoples of the South Seas presented during this first period the question which British subjects have had to face throughout the expansion of their Empire—Are they to allow the weak to remain at the mercy of the strong, or are they to assume the authority which only a government can exercise? Experience taught them that there was no middle course between the two extremes of annexation and *laissez faire* and that the nation which shirks responsibility or contents itself with a supervision of its own subjects must contemplate the growth of abuses as flagrant and as disastrous as those which existed a century ago from the unrestricted labour of women and children in England.

The principal documents in this period are the lives of the missionaries, the reports of public officials, and the correspondence of representatives of the Australian Colonies with successive Secretaries of State. They disclose a sense of danger in the minds of political leaders and a public agitation to which there is no parallel in the subsequent history of our external relations. The motives for this widespread and continuous feeling were three, two of them springing from the circumstances of individual groups, the third from a state of things at one time common to all the islands of the Western Pacific. These were the danger of an influx of criminals from the French convict settlement, the fear that some foreign Power might annex New Guinea and thence dominate Torres Straits, and the lawlessness and anarchy which had followed the contact of white traders and adventurers with native races in the island in which there was no settled form of government.

For many years past, not only in New Guinea but throughout the Western and Southern Pacific, a state of things had existed which "had tended to the promotion of strife and bloodshed and the deprivation of the lands and liberties of the inhabitants."* Its origin is referred to by Sir George Gray as far back as 1848 as a "species of trade which had grown in the native inhabitants." It had gone from bad to worse until, in 1883, the Agents-General could quote a long line of authorities, civil and naval, Imperial and Colonial, lay and missionary, for their arguments that it had become intolerable and a disgrace to the British flag. Men who had lost all the instincts of civilisation when removed from its restraints habitually went unpunished. The islands had become as Fiji had been before annexation—so many little Alsatias. The natives added a just resentment to their innate hostility, so that the whole white race was branded for the crimes of a few. But though all the authorities were agreed as to the nature of the evil, there was no agreement as to the remedy between the Colonial and the Foreign Office on the one hand and the representatives of Australia and Fiji on the other. The remedies of the British Government are to be found in a series of Acts of Parliament beginning with the Foreign Jurisdiction Act of 1828 and ending with the two Acts of 1875, of which the latter constituted the office of High Commissioner in the person of the Governor of Fiji, and gave authority to establish and define his court under a subsequent Order-in-Council. The fatal defect of this legislation was that it applied only to British subjects. It was "not to be construed to extend to invest Her Majesty with any claim or title whatsoever over the islands or to derogate from the rights of people inhabiting them or of their chiefs or rulers."

Not only was the legislation ineffective for its purpose, it created a sense of unfairness among British subjects and of license among those who

* See Commodore Erskine's proclamation of a Protectorate over New Guinea.

were not. It was a serious though not so radical a defect that the relative responsibilities of the naval and civil authorities were left undefined. Sir Arthur Gordon, Governor of Fiji, might in time have taught his superiors what every naval officer knew—that the indiscriminate destruction of a punitive expedition fostered the very evil which it was intended to suppress. The boundaries of his jurisdiction he could not enlarge unless, in conjunction with the Australian Governments he could persuade the Secretaries of State that no remedy short of annexation could be effective.

The first step towards a settled order was the annexation of Fiji in 1875. But the example was not to be followed for many years. Fiji had conditions favourable to annexation which the other islands had not. It had one king, who purported to exercise authority over the whole group. It had become a field of investment for Australian, British and American capital, and had already been subjected to the benevolent interposition of foreigners, who, under the pretext of introducing order, had promoted war and anarchy. When the king with his chiefs offered to cede the island first to Great Britain and afterwards to America, the offer was refused; but in 1874, after a joint petition from the Australian Colonies, the British Government was induced to accept it. The Solomons, New Guinea, and the New Hebrides were each inhabited by many tribes. There was, therefore, no one authority through whose act the hoisting of the British flag could be regarded not as the imposition of a strange power, but as the acceptance of a request. At the same time, the Australian Colonies had weakened the effect of their remonstrance by refusing to become guarantors of an annual grant in aid to Fiji and by their inability to speak through a single government. Both their weaknesses were remembered against them when other Australian Ministers, of whom Sir Henry Parkes was one, urged the annexation of New Guinea. It is obvious that when Lord Derby repudiated the action of Sir Thomas M'Ilwraith in 1883, he had no idea that the Colonies

could act together or that they would be willing to take the burden of annexation with its benefits. He was undeceived by a joint remonstrance from the Agents-General of Australia and New Zealand in 1883, which is one of the clearest and most forcible State documents ever written. It should be studied in the Mitchell Library for its value both as a summary of an epoch in the history of Australian external affairs, and as an example of the strength which learning and indignation can give to an official despatch. The remonstrance was followed by a meeting of the Australian Premiers and by the establishment of a Protectorate over portion of New Guinea. There had been mutual concessions. The Colonies had for limited purposes become unified and three were prepared to guarantee an annual expenditure. But they had come too late for their full purpose, since the Germans, in 1884, annexed portion of the island and so verified the supposition which Lord Derby had declared to be unfounded and remote. The Solomon Islands became a protectorate in 1893, and were divided between Great Britain and Germany in 1898. Negotiations for their transfer to an Australian jurisdiction were begun some time before the establishment of the Commonwealth. But the Federal Government were unwilling to accept a new responsibility. Their Resident Commissioner is still subject to the High Commissioner in Fiji, and the islands suffer both from the limited nature of the government authority and from their remoteness from their political and judicial court of appeal.

The New Hebrides at one time caused more popular excitement in Australia than all the rest of the Pacific together. They were the scene of some of the worst outrages of traders and recruiters, and their annexation was advocated with a view to introducing the authority which a government alone could exercise. The British claim went back to 1841, when the group had been included in the commission issued to the Governor of New

Zealand, but by 1877 French claims had begun to be asserted, and the two Governments, on the suggestion of the British, issued a mutual self-charging ordinance. The problem did not become acute, however, until a few years later, when a Bill was introduced into the Chamber of Deputies to sanction very great increases in the French convict establishments in the Pacific. Then began an agitation in Sydney and Melbourne, which forced the British Government, through their Ambassador, Lord Lyons, to take diplomatic action and the French Government to abandon their scheme. This particular grievance was gone so soon as the danger of convicts escaping to the Australian coast had ceased to exist. But throughout the history of the group the method of administration and the relations of the two white peoples have been unsatisfactory. The New Hebrides are a conspicuous example of the failure of international co-operation in the treatment of natives, as well as of the danger of finding makeshift solutions for problems outside the burning questions of their day. The French subjects in the New Hebrides have been well represented in Paris, and have been encouraged in protests against a danger from Australia which does not exist. The attempt to form an Australian settlement some years ago was spoken of as if it were the forerunner of an invasion or the outcome of a new Monroe doctrine "so consonant with the avarice of the Anglo-Saxons." Unfortunately the New Hebrides were not included in the general settlement of Anglo-French litigation in 1904. The arrangement concluded in 1906 is absurdly complicated, and is unsatisfactory in its working. It was considered with the other problems of the islands by a joint Commission which sat in London shortly before the outbreak of war. No doubt the good feeling now existing between the British and French peoples will bring about the settlement of a problem which has defied solution for more than half a century. One step at least may be taken by the Australian Government. It may

abolish the distinction by which at present the rebate allowed to the products of the islands is restricted in favour of British settlers as the rebate granted in New Caledonia is restricted in favour of the French.

The condition of New Guinea at the time of annexation has been described by one of the directors of the Church of England missions, Bishop Montgomery: "Hardly anywhere in the world is there a country like it, untouched by such slavery as South Africa has known, free from drink traffic, not used as a hunting-ground for labourers." The description is somewhat highly coloured, for there had already been dismally unsuccessful attempts to bring labourers from New Guinea to work in Queensland, but it explains the opposition of two most distinguished missionaries, Dr. Lawes and Mr. Chalmers. Sir Thomas Mcllwraith gave the reasons for his first abortive attempt in these words:—"It did not spring from a petty desire to get more land, for they already had 400,000,000 acres, with a population of only 300,000 men, nor from a wish to get niggers to work on the sugar plantations, because they knew that the natives of New Guinea were not fitted, but simply for the purpose of keeping bad neighbours from coming near them and in order to become part and parcel of the British Empire." The same motives are set out more elaborately and in more diplomatic language in the resolutions of the Australasian Premiers of 1883.

The Colonies asked for the annexation of so much of New Guinea as was not already claimed by the Netherlands. The answer was the establishment of a protectorate over that portion of the territory considered to be of immediate interest to Australia. The twofold compromise was the outcome of mixed motives and divided councils. Between 1881 and 1885, the date of the Berlin Act, the Colonial party in Germany continually urged Prince Bismarck to press German claims to interests in many tropical countries in West Africa, on the Congo and in Fiji. The Foreign Office, under Lord Granville, was

anxious to arrive at an understanding which would show that by a policy of friendly relations with England the Chancellor could obtain a fair and impartial consideration for his wishes. It was, therefore, decided against the wishes of the Colonial Office not to take any steps without consulting Germany, and then only to deal with those districts in which Germany admitted herself to have no interests. The establishment of a protectorate was preferred to annexation, for many reasons. Some British Ministers feared to trust the colonists with the control of native races, a fear which was shared by many distinguished men in Australia. Others, including Lord Derby, believed that annexation would involve pacification, that the island was inhabited by some millions of savage tribesmen and that pacification would involve a prolonged and costly war. Others, again, thought it wise to be content with a stop-gap measure lest an opportunity should be finally lost and material offence offered to Australia.

The Protectorate was very soon found to be unsatisfactory. The Administrator had no power to impose licence fees or to exercise legislative or judicial functions. If Dr. Lawes had had his way, he would not have had the power to take any land. Representations were, therefore, made that nothing could be done towards systematic administration until the Protectorate was made an integral part of the Anglo-Australian system and the position of its officers determined.

The final and necessary settlement was not made until the Imperial Conference of 1887. Sir Samuel Griffith, who was both Representative of Queensland and Chairman of the Standing Committee of the Federal Council, with the support of all the Colonies but one, entered into a treaty with the British Government, which has served substantially as a charter for the future of the Territory.

The British Government agreed to contribute a sum of £29,000 to cover preliminary expenses and formally to annex the Protectorate. The Australian

Governments agreed to guarantee the annual payment of £15,000 for ten years, and to supervise the Territory subject to the following conditions—that the land rights of the natives should be protected, that natives should not be removed from their home districts without Imperial assent, that trade with natives in arms, munitions, explosives and alcohol should be prohibited and that no differential duties should be imposed. So one object of the long agitation was at last obtained, and thereupon the Australian Governments set themselves to administer their charge.

When Sir Samuel Griffith and Lord Knutsford were arranging the conditions on which New Guinea should be governed, they also defined the future relations of the Colonial Governments, the Imperial authorities, and the Administrator. Drafts of laws and regulations, estimates of expenditure, requisitions for supplies, and official reports were to be sent to the Governor of Queensland to be forwarded by him to the Premier of the Colony, who could submit them to experts, to his colleagues, or to any other contributory Colony as the case might require. The Administrator was in the exercise of his legislative and administrative functions to be guided by instructions from the Governor of Queensland, who, in turn, was to submit copies of all correspondence to the Secretary of State.

As indicated already, there were subjects on which laws could not be passed without the permission of the Imperial authorities, and the Administrator had the right of direct correspondence with the Secretary of State whenever he should think it necessary. The arrangement placed considerable power in the hands of the Premier of Queensland for the time being. The history of the transition period is, therefore, to some extent, a test of the capacity of Colonial Ministers to govern or supervise the government of a tropical dependency. On this point the opinion of the man best qualified to judge is emphatic. Sir William Macgregor makes too little allowance for the good for-

tune of the Australian Governments in having an officer of his singular qualifications as their first administrator. His experience in Mauritius, the Seyscheles, and Fiji gave him unusual opportunities of comparison; his devotion to his work made his standard a high one, and his long term of office gave him an unrivalled knowledge. He has nothing but praise for the Ministers with whom he had to deal. It is worth while quoting from two of his speeches, the first from a speech delivered on a visit to England in 1895, the second when he was in a position to summarise the whole of his experience in 1899:—

“In my humble opinion, the efforts made by the contributing Colonies for the Papuan are conspicuous in the history of British colonisation. There may be some similar instance in history where colonial governments have, at their own expense, endeavoured honestly and honourably to deal fairly with an aboriginal race beyond their own borders and to put it into its place in the edifice of our national civilisation, but no similar instance is known to me. Those Colonies are not content with simply securing themselves under the annexation of New Guinea, but they are, at a considerable expense, carrying on a great work in the possession—the greatest work of the kind that has been undertaken by any of Her Majesty's Colonies single-handed, making in the cause of civilisation and humanity efforts that are creditable to the Empire and most honourable to the Colonies directly concerned in finding the necessary means. It is right that this should be pointed out, because many persons, perhaps not unnaturally, object to these Colonies having any control over British New Guinea.”

In 1899:—“It is hardly necessary that it should be stated here that the contributing Colonies have faithfully carried out their engagement entered into with the Imperial Government for the ten years' administration. They have done more, for when appeals have been made by the Administrators for some additional assistance or contribution, the

appeal has not been made in vain. This is especially creditable to the Colony of Victoria, which is, in a manner, cut off by its position from New Guinea and the Pacific Islands. The Governments concerned knew that time was necessary to obtain a footing in the country, to acquire knowledge of its features and of its inhabitants, and they did not force the local administration to proceed with fatal speed. They have, with the assistance of the Imperial Government, which has contributed at least an equal quota, established and maintained a government in British New Guinea which is so just and considerate towards the natives that if there exists elsewhere a government that under similar circumstances is more just and more considerate, I for one should like to give some study to its working. It has been a great experiment to entrust the administration of such a country to Colonies possessing representative constitutions. There is reason to believe that the Secretary of State is satisfied with the general result."

With these extracts may be compared an expression of opinion by the same high authority published in March, 1918, when considering the advisability of placing the former German possessions in the South Pacific under Australian control:—

"Can these territories, with due regard to the interests of the original inhabitants, be safely entrusted to Australia? I confess frankly that thirty years ago I should have answered emphatically No. Circumstances have greatly changed, and so has my deliberate opinion."

In the constitutional relations of Australia with the Pacific, the next important event is the assumption of authority over Papua by the Commonwealth. The first step was the decision of the Federal Parliament expressed through resolutions of both Houses to make the possession a territory of the Commonwealth. The second the passing of the Papua Act in 1905, followed by its proclamation in 1906. The constitution is a skeleton Act with a preamble setting out the history of the Territory. It fixes the annual contribution from the Australian

revenue at £20,000, and provides for the appointment of a Lieutenant-Governor, with an Executive Council of officials and a Legislative Council nominated partly from residents in the Territory. The Legislative Council has the power to make ordinances subject to the veto of the Lieutenant-Governor and to the necessity of postponing the operation of certain of them for the consent of the Governor-General. No change can be made by it in the policy which the Government has pursued since its foundation in land legislation, the transfer of natives from one part of the Territory to another or abroad, or the supply of intoxicants to natives, nor can coloured labour be introduced. The Papua Act does not exhaust the legislative powers of the Commonwealth which over a territory are those of a sovereign State, but, in fact, it is the only instance of the exercise of these powers. The centres of authority are the Minister for Home Affairs and Territories, the Prime Minister, and the Lieutenant-Governor. The Minister's influence over the future of the Territory may be exercised whenever extra grants of money are needed for development purposes, when important ordinances are proposed, and again when complaints against the Administration are made by dissatisfied shareholders. But at best he can only assist or retard the policy of the Lieutenant-Governor, whose personality is decisive. It is the least part of his work to introduce new labour regulations and to link up one outpost with another, so that in time the whole Territory may be covered, or to conduct exploring expeditions. It depends on him whether the policy hitherto pursued in Papua should be maintained, whether in fulfilling its dual obligation to the native races and to consumers of tropical products throughout the world the administration will continue to be inspired by that broad humanity which sees in the most primitive forms of human life a type to be respected and to be guided to its place in modern civilisation.

The nature of Australia's problems in the Pacific

during this second period has already been indicated. The end of the Spanish-American war and events contemporary with it brought a new group of personages on to this corner of the stage of world politics. The United States, though tentatively and with much hesitation, assumed the control of overseas dominions and entered upon the responsible task of educating an imperfectly civilised race for self-government and independence. Germany acquired by purchase from Spain the possessions which she had failed to obtain by arbitration. Japan had entered on her career of expansion by the defeat of China, and was shortly afterwards to become the Ally of Great Britain and the conqueror of Russia. All these events transformed the conditions of that portion of the problems of world politics in which Australia, by her geographical position, by her social ideals and by her commercial outlook, is especially interested. To-day another radical alteration has been made by the defeat of German ambitions and by the decision of the United States to carry her vast naval programme into execution. Small nationalities as well as Great Powers are affected by these changes, and it is impossible not to speculate on the ultimate place of Australia in the new order. This writer, however, is reminded of a passage in Lord Morley's reminiscences, in which, when deciding between the career of a politician and a journalist he was tempted to become a politician by "that knowledge of decisive facts which make all the difference." It is safest to keep to the problems of the South Pacific. They touch the reputation and the prospects of Australia very closely, and they are sufficiently important to our future prosperity to deserve the closest attention.

The first of them is presented by the relation of the islands to the defence of Australia. They form two lines, the outer consisting of the groups formerly occupied by Germany and now by Japan, the inner by New Guinea, the Solomons, Fiji, and Tonga. Both lines contain first-class harbours, those of the Pelews and Carolines being the best. Both lines command the trade routes to the East and to the

Panama Canal. The inner might serve as a starting point for an invasion of the Queensland coast. It is obvious that the disposition of the power in possession of these islands is of the first importance to the future of Australia. If that power were hostile and aggressive we should have to maintain a defensive fleet and a standing army as well. If they were in our own hands they might remain unfortified except as observation posts, and we should have no need to take measures against an attack without warning. *

The conditions of this problem have been completely changed by the adoption of the mandatory system under the supervision of the League of Nations. But the facts should be borne in mind in justification of the claim of the Federal Parliament that the islands should not be restored to Germany and of the action of the Australian representatives at the Peace Conference. It has been estimated by the Naval authorities that the return of the islands formerly governed by Germany would have necessitated an increase of seven millions per annum to the Australian expenditure on defence. This belief was supported by the discovery that the German plans and surveys found in New Guinea after the occupation were for naval and not for commercial purposes, and that all the wireless stations were of a power far in excess of the requirements of merchant shipping. The sense of danger was increased by the progress of submarine warfare. If submarines could not have starved Australia they might have cut her off from the shortest route to America and to England. It is only necessary to look at a map in order to realise that a hostile power in possession of the German territories could have made the seas in our neighborhood as unsafe as the waters of the Mediterranean had been during the later months of the war.

* For a detailed discussion of this problem under pre-war conditions reference should be made to "Naval Policy and the Pacific Question," an article which appeared in the "Round Table" for June, 1914. See also Lord Jellicoe's report.

The student who wishes to study the recent progress of Australian shipping in the Pacific should read the report of the Interstate Commission, and especially the statement handed in by Mr. W. H. Lucas, representing Burns, Philp and Co. He will there find an account of the subsidies enjoyed by French, German, and Japanese lines, of the routes now used and of those projected for the purpose of carrying copra and other products direct from the islands to Europe. It is clear that the position of Sydney as a port of transshipment and as the headquarters of an export trade to the islands, was before the war in some danger. Australian shippers declared that they were handicapped by the necessity of paying Australian wages and observing Australian conditions on their mail boats, and by the German system of arranging exclusive contracts with the planters in German possessions. It is obviously impossible to say how these conditions will be affected by the terms of peace. Australian shippers will no longer be excluded as they were first from Jaluit and afterwards from Rabaul; but whether or no they will be able to compete for German trade must depend on the future of the German mercantile marine and of the German plantations. If the plantations are still owned by German firms, with their headquarters at Hamburg, and if German lines still compete, there will be a tendency, even in the absence of a binding agreement, to ignore Sydney and to ship direct to Europe. Much depends on the terms of the mandate. It may be that Australia will be able to enforce her own shipping laws on all vessels trading to the island under her administration. Much also depends on the future of the manufacture of copra, the chief product of the islands, and on the investment of Australian capital. Although the methods of manufacture have been greatly improved, there is no prospect of any great increase immediately in the amount of copra treated in Australia. The average Australian consumption in recent years was only about 10,000 tons, or

approximately one-sixth of the amount produced in the South Pacific, which is less than 14 per cent. of the world's supply. On the other hand, the British consumption is likely to have increased considerably in consequence of the factories established and the habits formed during the war. Something also may turn on the improved conditions of shipping, which may tend to bring competing lines up to the Australian standard.

The remaining constitutional, social, and economic problems are discussed in the same Report and in the annexed evidence, which together form an invaluable collection of facts and opinions. The Commissioners took evidence from traders, planters, and scientists, and were assisted by documents supplied by the Governments of Australia, New Zealand, and Fiji, as well as by a study of the more recent literature on the subject. But, as they themselves complained, they were handicapped by a lack of first-hand knowledge. No final settlement of the Pacific problems should be arrived at until an investigation has been conducted in the islands themselves. An example, both of the value and of the practicability of such an enquiry has been afforded by the London Missionary Society, whose representative, the Rev. F. Lenwood, visited the islands during the opening years of the war.

For good or evil, missionaries have made an indelible impression on the history of the South Seas. Their services in Papua have been warmly acknowledged both by Judge Murray and by Sir William McGregor. By those who have not time to study individual lives, Mr. Lenwood's survey, "Pastels of the Pacific," should be read beside the detailed pictures of Native Life, by the Rev. F. W. Chignell, and the impressionistic opening chapters of Stevenson's "In the South Seas," remembering always Stevenson's statement that only two writers have written of the South Seas with genius, and one of them was stone deaf.

The principal groups which such a Commission would visit are the Solomon Islands, the New

Hebrides, the Gilbert and Ellice Group, Tonga, Papua, and the Cook Islands.

Fiji is a Crown Colony under a Governor and a Legislative Council, comprising eleven official members, seven elective members and two native members. The Governor fills the office of High Commissioner of the Pacific, but the two functions are quite distinct. Its total export trade in 1913 was £1,426,000, of which £1,209,000 was the price of sugar, and £168,000 of bananas, and of which all but £9,500 worth went to British possessions. Fiji has been for many years dependent on India for its supply of native labour, which under the indenture system has now ceased.

The Solomon Islands form a Protectorate under the jurisdiction of a Resident Commissioner, but under the supervision of the High Commissioner. It has an important and growing export trade which amounted in 1912-13 to £109,000, of which copra represented £73,000, and ivory nuts £20,000. The labour supply is obtained from the islands, and, in the opinion of the Resident Commissioner, has already ceased to be sufficient for the needs of the plantations.

The New Hebrides are governed by the extremely complex system of the condominium. It includes a French administration and a French tribunal to deal with French subjects, an English administration and an English tribunal to deal with British subjects, a mixed tribunal presided over by a Spanish judge to try all actions relating to property, all actions between employers and employees, and between natives and Europeans, and a joint naval commission entrusted with litigious matters between natives, and exercisable by officers of a warship by their nationality. In 1917 the number of French residents was 641, and the British 262. The products of the islands are cocoanuts, coffee, cotton, cocoa, and maize. The native labour supply is inefficient and inadequate, and efforts to obtain

recruits from China and from Java have not been successful.

Samoa is under the military occupation of the Dominion of New Zealand. It has a white population of about 600. Its annual exports before the war were valued at £300,000, of which the principal were copra £210,000, cocoa £70,000, and rubber £20,000. It has depended for some time on indentured labour from China, the native inhabitants enjoying the fruits of their soil without the necessity of working for white masters. This indentured supply has now been cut off by the decision of the New Zealand Government, approved of by the Colonial Office, and the plantation owners, in default of any substitute, predict immediate ruin. The Gilbert and Ellice Group are a Crown Colony, still administered as a Protectorate under the general supervision of the High Commissioner. This is the one group which claims to have as much labour as it needs. Its chief commercial interest is not in the group itself, but in Ocean Island, which is administered as part of it. The island, which is the property of the Pacific Phosphate Company, produces annually some £300,000 worth of high-grade phosphates, the labour being supplied by the islands under a short term of indenture.

Tonga is a protected kingdom administered by a British Agent and Consul, with an export trade in normal years worth slightly over £200,000, the greater part of which consists of copra grown by native labour.

The Cook Group is a dependency of New Zealand, with an export trade worth about £109,000 per annum, made up principally by oranges, limes, cotton, coffee, bananas, arrowroot, and copra.

The system of government in force in Papua has already been described. The labour supply of the territory is self-contained; it is now sufficient for the needs of agricultural development. Owing to the gradual pacification of the natives and the improvement of their relations with the settlers, its volume of trade has steadily increased, until in 1918

the exports amounted to £220,599, as against £156,000 in 1917, and £125,000 in 1916.

The German possessions, apart from Samoa, were before the war administered from Rabaul, with the title of a protectorate. For administrative purposes they were divided into two groups, known respectively as "The Old Protectorate" and "The Island Territory." The Old Protectorate has for the past four years been occupied by Australian forces, the New Protectorate, with the exception of the Phosphate island of Nauru, by Japan. The Old Protectorate is made up of Kaiser Wilhelmsland, the Bismarck Archipelago, including New Britain and New Ireland, and the Solomon Islands of Buka and Bougainville. The products are substantially identical with those of the neighbouring British possessions. The conditions of life are to some extent differentiated by the introduction of Chinese elements, and by the interchange of labour there has been very little pacification inland, and no such lasting impression has been made as to prevent the British and German islands being administered together without any radical change in standards of living, or in methods of development.

It is clear from the evidence given before the Commission that the one problem which dominates all others in the South Pacific is that of imported labour. Strictly speaking, it is not an Australian problem, since it is not one which Australian Governments can decide. But indirectly it touches Australian interests very closely since neither her shippers, nor her investors, nor her exporting houses can prosper unless the productive power of the islands is maintained, and since the solution is sure to be quoted as a guide for those territories to be administered by her under the League of Nations. The Commission describe the need for systematic treatment as urgent and overdue. Each one of the islands, with the exception of the Gilbert and Ellice group and Papua, is seeking immigrants from China or from British India, and have little prospect of satisfaction. Clearly, the South Pacific is faced

with one of those changes of system which, whatever their permanent effect, always cause temporary loss and disorganisation.

An indentured system under which labourers are bound to remain for long periods in a strange country working under conditions in which family life is impossible will no longer be tolerated. The benefits it confers on the labourer are stated in Mr. Alleyne Ireland's book, "The Far Eastern Tropics." Its economic advantages are set out in an exhaustive report by two commissaries of the Indian Government, Messrs McNeil and Chimman Lal, the most thorough study of the subject since the Des Voeux Report of 1870. But these benefits and advantages belong to a past stage of development. The Government of New Zealand will not allow the indentured Chinese to remain in Samoa; the people of British India will not allow their kinsmen to be sent except as freemen and potential colonists to Fiji. Planters from the Solomons have sought to get recruits for shorter terms but have failed, and the appeals of the New Hebrides are unanswered. It has been suggested by observers very well qualified to judge that the planters would get more relief if they paid more attention to their own islands. One of the most learned and experienced of missionaries, the Rev. J. W. Burton, believes that both in Fiji and Samoa natives may be induced to work by a system of education which would weaken their communal system and gives them new wants, and he thinks that nothing else but a return to work will save them from gradual extinction. In the Solomons it is disputed whether the further pacification of the islands will bring forward new recruits or kill the present supply by making home life more safe for the native. In Fiji, again, great things are hoped from the further encouragement of farming among Indians out of their indentures. But it is not supposed that all the needs of the islands will be satisfied by any of these remedies. Their prosperity must still depend on the ability of the representatives of a variety of interests to devise a

system of immigration consonant with modern standards of independence and self-respect.

Papua is a directly Australian problem and must be studied by itself. It may be as well to enumerate its principal elements. The first is the policy of the Government as carried out by successive administrators. It is described by Judge Murray as "to show how the civilisation of the twentieth century can be introduced among a people in the stone age, not only without injury to them but to their lasting benefit and their permanent advance upon the road of civilisation." The second is the veto on alien immigration. The immigration ordinance follows the model of Australian legislation, but its effect is not so much to preserve racial purity as to preserve the right to labour, which is the safeguard against decay for the original inhabitants. The third element is the nature of the Papuans. They are the child peoples of the world. They have no gift of persistence and so little power of cohesion that even Sir William McGregor was unable to deal with them through their village chiefs. It is clear that if the labour of the country were handed over to aliens the people would die out and Australians would be convicted of failure to carry out their obligation to the races whose territory they had occupied for their own security. The fourth is a rational system of land tenure under which the natives are given absolute security in the lands effectively occupied while the rest are alienated through the government on long leases. The labour problem did not become serious until 1907. Sir William McGregor stated in his last report that the time had arrived for agricultural development to begin, but it did not, in fact, begin until after the Report of the Papua Royal Commission in 1907, the appointment of which was one result of Mr. Atlee Hunt's visit and report in 1905. A new element was then added to the problem as it had presented itself to Sir William McGregor. The Government then accepted a dual obligation not only to protect the natives but to enable the territory to make its due

contribution to the world's stock of raw material. In preparing for this period the missionaries had given great help both by their studies of native dialects and by the confidence which they had established among the natives. Sir William McGregor had left behind him his institution of the village constables, though the greater part of his work had been obliterated. Still, the prospect before administrators was not attractive. The Papuans, though they had worked well for the gold-miners, had a bad reputation. A large number—probably the majority—were head hunters or cannibals, and all were, as many are now, in the Stone Age. Moreover, their wants were easily satisfied, and it was not thought possible to supply them with any motive for work. Forced labour was out of the question even if it had been desired. The administration, therefore, set itself to give the native confidence, to create in him new wants and to bring a large area of the country under control. The labour ordinance was slightly amended, and was enforced. The labourer was paid his wages, was properly housed, and returned home at the end of his contract of service. Plantations were regularly inspected by police officers and magistrates and officials of the department of native affairs. Education was planned in such a way as to introduce an individualistic element into communistic habits and to discover latent capacities for skilled manual labour. The system may be judged by the results as they are seen to-day in the former head-hunters of the Purani delta working contentedly as navvies on the Port Moresby roads and in the number of recruits coming forward who are at last equal to the requirements of the territory. It is not argued that native labour will ever develop the territory in the manner suggested by the sanguine expectations of 1906 or by the example of the Federal Malay States or Java. Papua is a sparsely populated country, with scarcely any large villages except on the coast, and a great deal of waste land. If 20,000 recruits are ever obtained they will constitute a large percentage of the population. But

these results are an answer not only to predictions of failure but to the charge of "coddling" which has been directed against the administration in Papua, as in every other tropical British possession. Some of these charges may, no doubt, be attributed to the nature of the products of the territory. The administrator remarks in his report for 1916-17, when reviewing the progress of the past ten years: "Critics sometimes forget that a cocoanut palm is not like a cabbage; it takes many years to come to maturity, and a plantation which was taken up in 1906 would probably not be in full bearing yet. There are about 35,000 acres of cocoanut plantation in the Territory, and it may be expected that eventually these will produce from 16,000 to 18,000 tons of copra, valued at over £300,000. But not yet; we must wait awhile, not because the Commonwealth or the Papuan administration is dilatory or inefficient, but because cocoanuts grow slowly. And so with rubber. There are about 7000 acres planted, and I suppose that in time they will bring in, say, a thousand tons of rubber worth, perhaps, a quarter of a million; but again, not yet—for the trees must have time to grow, and no government can hurry them."

The union of the German possessions in the Pacific with Papua would not present any serious difficulties. The most important differences between the respective administrations have been two. The Germans admit alien immigrants, and they alienate land in fee simple, which is not allowed either in Papua or the Solomons. But the German administration has not made such an impression that a union with Papua would cause serious inconvenience. The number of settlers is very small, although the plantations are older than those of Papua. The total German population of the old Protectorate in 1913 was 542, of whom 250 were missionaries. The native races are identical in origin and not very far removed in their progress towards civilisation. The products of the two possessions are practically the same, although in economic development Papua is somewhat further

advanced. The Germans have established a good school for natives, but the language prevailing throughout the possession, so far as there is one, is "pidgin English." The system of administration by scattered outposts is the same on both sides of the frontier. The police system of Papua has been described by a Dutch official sent for the purpose of observation as a model for other tropical countries.

Both Papua and German New Guinea have supplies of petroleum which have yet to be fully tested and which may prove additions of great value to the wealth of the two countries. Their future prosperity depends mainly on two factors—on the supply of shipping and the supply of labour. As we have seen, the supply of labour is now adequate to the land under cultivation, though the number of recruits fluctuates from year to year. The supply of shipping during the war has been inadequate, and freights have been embarrassingly high. The result has been that there has been little development in agriculture, the great progress recorded having been attributable to the growth to full bearing of cocoanut and rubber plantations, which now cover an area of some 57,000 acres. It is estimated that within a few years the revenue from the cocoanut plantations will be from £200,000 to £300,000, and that from rubber plantations about the same. Australians, however, will note that the benefits derived from the occupation of Papua and the problems it presents are by no means entirely economic or strategic. It has been the duty of the Australian Government to find officials who at a low rate of pay and without the attraction of publicity will carry out the task of administration. The work has been exceedingly difficult, needing a rare combination of learning and sympathy, of mental vigour and physical strength. Its success may be judged less from the statistics of production than from the detailed statement of resident magistrates and other officials who supplement the annual report of the Lieutenant-Governor. The Papuan reports under Judge Murray have continued the tradition of breadth and of sympathy

which was founded by Sir William McGregor. The reader sees how the records of other tropical countries have been searched for parallels, how the country has been gradually covered by outposts following the example of the pioneers of the Federated Malay States and how natives have been encouraged to form their own plantations on the model of those cultivated by the West African negroes under British rule. At the same time, he will find a continuous determination to conserve native interests and to treat the native as an individual entitled to respect which has no parallel. An Australian before the war who remembered the gloomy prognostications with which this enterprise was begun and the criticism with which it has been followed, should have regarded these results with wonder and gratitude. To-day we find them recognised in the responsibilities placed on the shoulders of Australia under the League of Nations. The position of mandatory was to some extent a recognition of the sacrifices of the Australian troops and to a concession to the demands of her representatives. But it would not have been awarded so readily but for the record of wisdom and humanity in the treatment of native races which has been established in Papua under the Commonwealth through the strength and patience of the present Lieutenant-Governor and the loyalty of his staff. The extended authority will have this advantage that it will give greater opportunities to the Commonwealth officials, and will render this branch of the Public Service more attractive. But it will impose a great strain on the resources of Australian manhood, and will demand a continuance of the same qualities both in the Ministers of the Commonwealth and in the officials of the territory as have been shown in the Government of Papua. The German Government spent money on public works on the coast which Australia would have spent on the pacification of the territory. The wages paid by the Germans to natives were half those on which Australians will insist. Australians will not permit the continuance of flogging as a normal form of punishment. There

will, therefore, be less progress with roads and bridges, many complaints, and many charges of coddling. But it will be remembered that a mandate of this type does not imply a limited tenure. The natives of New Guinea and of the Solomons belong to races which have been stationary for many hundreds of years. There will be no pretence of educating them in the hope that they will one day be able to govern themselves. The only event on which the mandate will be withdrawn will be a departure from the Australian tradition and a failure in the trust. Finally it may be said that the position of paramountcy implied in this mandate has not been sought by the Australian people. Many students of these problems anticipated the creation of a Pacific Federation, possibly having its headquarters in Sydney, but certainly having its own representatives in the Councils of the Empire. There are many obvious differences between the interests of these islands and those of a people imposing duties on tropical products and to maintain very definite social and economic ideals. Possibly a Federation may be established which will give uniformity and stability in place of the many anomalous distinctions now in force among the Crown Colonies. But it will not alter the fact that the decision of the Peace Conference, however honourable to Australia, has given her new problems both foreign and domestic which will prove very exacting to a continent still in the elementary stages of its own development.*

Postscript.

The provisions of the Peace Treaty defining the rights and duties of mandatories are contained in Article 22 of the Covenant of the League of Nations, which is as follows:—

“To those colonies and territories which as a consequence of the late war have ceased to be under

* A list of authorities would have been added to this chapter but for the fact that a bibliography has been published by Mr. Percy Allen, the editor of M'Carron, Stewart and Co.'s handbook, to whose library of Pacific literature every student of the subject is indebted.

the sovereignty of the States which formerly governed them and which are inhabited by peoples not yet able to stand by themselves under the strenuous conditions of the modern world, there should be applied the principle that the well-being and development of such peoples form a sacred trust of civilisation and that securities for the performance of this trust should be embodied in this Covenant.

"The best method of giving practical effect to this principle is that the tutelage of such peoples should be entrusted to advanced nations who by reason of their resources, their experience or their geographical position can best undertake this responsibility, and who are willing to accept it, and that this tutelage should be exercised by them as mandatories on behalf of the League.

"The character of the mandate must differ according to the stage of the development of the people, the geographical situation of the territory, its economic conditions and other similar circumstances.

"Certain communities formerly belonging to the Turkish Empire have reached a stage of development where their existence as independent nations can be provisionally recognised subject to the rendering of administrative advice and assistance by a mandatory until such time as they are able to stand alone. The wishes of these communities must be a principal consideration in the selection of the Mandatory.

"Other peoples, especially those of Central Africa, are at such a stage that the Mandatory must be responsible for the administration of the territory under conditions which will guarantee freedom of conscience and religion, subject only to the maintenance of public order and morals, the prohibition of abuses such as the slave trade, the arms traffic and the liquor traffic, and the prevention of the establishment of fortifications or military naval bases and of military training of the natives for other than police purposes and the defence of terri-

tory, and will also secure equal opportunities for the trade and commerce of other members of the League.

"There are territories, such as South-West Africa and certain of the South Pacific Islands, which, owing to the sparseness of their population, or their small size, or their remoteness from the centres of civilisation, or their geographical contiguity to the territory of the Mandatory, and other circumstances, can be best administered under the laws of the Mandatory as integral portions of its territory, subject to the safeguards above mentioned in the interests of the indigenous population.

"In every case of mandate, the Mandatory shall render to the Council an annual report in reference to the territory committed to its charge.

"The degree of authority, control, or administration to be exercised by the Mandatory shall, if not previously agreed upon by the members of the League, be explicitly defined in each case by the Council.

"A permanent Commission shall be constituted to receive and examine the annual reports of the Mandatories and to advise the Council on a matters relating to the observance of the mandates."

The provisions of this article applicable to the islands of the Pacific, other than Nauru, is the clause beginning, "There are territories."

The words, "subject to the safeguards above mentioned in the interests of the indigenous population," clearly apply to the safeguards mentioned above with the exception of the guarantee for equal opportunities for trade and commerce. The safeguards, it will be seen, are identical with those contained in the Papua Act and with the conditions under which British New Guinea was originally entrusted to the Australian Colonies. Whether the provisions relating to trade and commerce apply to the Australian mandate is doubtful. It is submitted that they do not. The administration of the island of Nauru is provided for by a separate Act of the Commonwealth Parliament.

CHAPTER XII.

THE WHITE AUSTRALIA POLICY.

By the Rev. Dr. Andrew Harper.

PART I.

The Policy of Selective Immigration.

In the first year of the Commonwealth of Australia the first general Immigration Restriction Act was passed, and when it was being discussed Sir William McMillan expressed in a memorable way the feeling of many in Australia, and of practically all Britain regarding the object we were seeking to secure. He said: "Every one of us must feel that in attempting to shut out *any human beings* from our shores, and from the privileges of British freedom, we are doing a very extreme act." That was inevitably the *prima facie* view which anyone approaching the subject from the old liberal point of view would take, and it probably is the view still held by English Liberals and by many modern Conservatives in Britain. America, Canada and Australia had been for a long time competing for immigrants from Europe; and the emigrants had so greatly bettered their condition that emigration had come to be regarded as the panacea for all the ills of the working classes. Looking at the question entirely from the British point of view,* the point of view of a country which desired emigration in order to keep up the standard of living among its own people, unlimited immigration into all sparsely populated countries was regarded as one of the great hopes for the world. Hence arose the feeling that it would be cruel to shut out "any human

* Cf. "Mill's Political Economy," pop. ed., p. 231.

being " from its benefit. Careful inquiry has convinced the present writer that this is a one-sided and mistaken view, and this Essay will be mainly an attempt to show that from the point of view of the countries to which immigrants come, any such principle as Sir William McMillan lays down cannot be, and has never been, accepted by any nation that deserved to survive, and that a fatal lowering of the standard of living, and a constant danger of war would inevitably be the result of accepting it in Australia.

But in the face of this economic prejudice among Liberals, which has allied itself in a vague way with the recognition of our common humanity, it is necessary to be precise in our statements. The first thing, consequently, to be done is to define what the White Australia policy is, and what the means proposed for carrying it out are.

I.—Definition of Policy and Means of Carrying it Out.

In general terms, then, the "White Australia" policy is the policy which seeks to prevent the free influx into Australia of labourers and artisans belonging to races whose traditions, and whose political, social and religious ideals differ so much from ours, that it would be very difficult in any reasonable time to assimilate them, and if they came in masses, impossible. And the foundation of that policy is the conviction that such an influx always produces grave evils for both races, and that it cannot really be desired by either, unless as a cover for designs of conquest, either economic or territorial.

The means for carrying it out are simple, and such as should give offence to no people, if once the policy is accepted. Power is given to the immigration officers to compel each immigrant to write out fifty words in any language he chooses. Virtually, therefore, the Government can make any man's rejection sure, but no special nation is named as objectionable.*

* See Australian Commonwealth Acts, Vol. XII., p. 151.

II.—Erroneous Ideas to be Excluded.

Now the definition and the law both shut out at once some popular errors as to what the White Australia policy means—

(a) It is not meant to exclude travellers, students or merchants, who do not seek to acquire domicile. It is the influx only of labourers and artisans that has been aimed at, for that alone is dangerous. In the protracted negotiations which preceded the British-Japanese treaty of 1894, it was the immigration only of labourers and artisans which was objected to by Australia. That, too, is Japan's attitude to us, for as a writer in the "Round Table" says: "Not only do they entirely exclude Chinese labourers—a provision which would be certainly applied to European labourers if they attempted to enter Japan in any considerable numbers—but Europeans are not allowed to acquire land—the prelude to domicile."*

(b) It does not commit Australia to drive from their native seats, or place at economic disadvantage any coloured races under her rule. No less a person than the Hon. A. Lyttelton, M.P., stated at a meeting of the Royal Society of Arts in 1908 (28th April) that such a doctrine had appeared in South Africa, and another speaker said it had been imported from Australia. Mr. Lyttelton's comment was:—"It is a strange system of world ethics which, on the acquisition of a country by invasion and the dispossession of the aboriginal inhabitants, would dispute the right of the latter to work therein." That doctrine, wherever it came from, did not come from Australia, for both our theory and practice in such cases have been exactly the opposite. Wherever up till now such races have come under our rule, we have taught and helped them in their own land, and we have sought to preserve them by prohibiting white men from entering the reserves set apart for them. That is, in dealing with coloured men under our rule, we seek to prevent their

* See "Round Table Magazine," February, 1911. The Anglo-Japanese Alliance. Pp. 132, 138 and 139.

premature and compulsory association with the white man. We refuse to remove them from their own land, or to break up the healthy measure of isolation in which they live there, lest they should become mere hewers of wood and drawers of water for a different and more advanced race. Further, we have never put any difficulties in the way of the employment of black races or half-castes.

(c) It is not founded on a desire for pecuniary gain for any class of white Australians, or for them as a whole. It is a defensive measure to prevent an intolerable lowering of the standard of living, which even in Australia is not too high if the mass of men are to have a free and worthy life.

(d) It is not grounded on race or colour prejudice. No mention of that is made in the definition, for it is certain that if there were white men as radically different in ideals and as far beneath us in the standard of living as Asiatics are, Australia would reject them as immigrants with the same decision. But as it happens that all the races who would flood Australia under free immigration are "coloured," the popular imagination has seized upon the accident and let the essential go, in the name it has given to the policy.

III.—True Object of Policy is to ward off National Danger.

These misconceptions being removed, we have now to ask what was the object of the policy? It was an effort to ward off a great national danger which may any day become pressing, but which Australian political leaders first clearly saw and tried to meet at the Colonial Conference of 1897. That danger is the revival, under new names and different conditions, of that migration of the peoples which overwhelmed the Roman Empire. The great difficulty in dealing with opponents of the "White Australia" policy is that they entirely fail to see how new in modern times, and how portentously great the evil to be fought against is. It is not, as they for the most part conceive it to be, a mere

natural infiltration of wandering labourers from one similarly civilised country into another, like the influx of Germans into England, or of Italians into France. In such cases the immigrants, having similar social, moral and political ideals, their descendants imperceptibly merge into the population of the country they have migrated to. Nor is it even a case like the immigration of Russian and other Eastern Jews into England, though that is so much more serious than the other cases that it has compelled England to pass an Immigration Restriction Act.*

The special features that render that more serious are of the same kind as those which render the immigration of coloured labour into Australia dangerous. The immigrants are not at the same stage of civilisation as the English people; their standard of living is much lower; their education is greatly inferior; and they tend to cling to their own tongue and to cohere in masses in the strange land to which they have come. All this makes them difficult to assimilate, and because of that even Britain has had to face an agitation for their total exclusion. Yet the greater elements of danger in the Australian case are absent here. After all, the alien immigration into England of all kinds is only 12,400 a year, and the people among whom they come to live are 40,000,000. The aliens are, consequently, not nearly numerous enough to alter the type of civilisation which prevails. Moreover, they are mainly exiles driven from their homes by persecution, and they neither could nor would form the advance guard of an armed invasion. Lastly, their religion is, in all its higher aspects, related to English religion, and there is a large community of English Jews thoroughly assimilated to their environment, who are eager to help in the education and assimilation of the backward members of their race.

* Cf. "Daily Mail" Year Book, 1906, p. 67.

Consequently, even this immigration is a harmless thing compared with the immigration of Asiatic labourers and artisans into Australia. To find a fitting parallel to that, we have to go back, as we have said, to the great migrations of the peoples of Europe and Asia in the fourth and fifth centuries. This may seem to some a far-fetched and improbable analogy, but it is the only one that is adequate. It is quite possible for social movements which belonged, as we thought, only to a vanished past to be still with us in new forms, but with their essential character unchanged. That appears to be undoubtedly the case here. Australia is endeavouring to ward off national migrations of the ancient type, more peaceful in appearance but equally tending to lower the standard of living and to displace our own people in their own land. Moreover, now, as then, there are lowering clouds of war in the background. If that or anything like it be true, it surely is the case that the Australian determination to exclude Asiatic immigrants is "founded on a deep-rooted instinct of self-preservation."

IV.—Parallel between Migrations of Nations in 4th Century A.D. and Migrations now.

In the old days the migrations arose and proceeded thus. Either their own increase made the land of some of the non-Roman races outside the Empire too small for them, or they had ambitious kings who longed for conquest, or they were pressed upon by other races stronger than they. Under one of these influences, or a combination of them, they sought new homes, and found them by the simple process of overwhelming some neighbouring people more civilised but weaker than themselves. These they slew in large part; the rest they reduced to servitude; and inevitably they brought down the level of life for all to the low standard they were accustomed to. Thus they made an end for a time of literature and intellectual advance, and much

* "Round Table Magazine," February, 1911, p. 127.

else that was precious. Sometimes, however, they came as suppliants, and in that case the Roman Empire was faced by much the same problem as Australia would be if free access were given to coloured men.

The most instructive example of this, and the one most weighty with warning to us, is the admission of the Visigoths in 376 A.D. under the Emperor Valens to Moesia (the country now occupied by Servia and Bulgaria). Having been suddenly attacked and broken by the ferocious Huns, the defeated Visigoths, to the number of 200,000 men, with their women and children, sought to pass the Danube. In his ornate prose,* Gibbon tells the instructive story how they implored the Emperor to permit them to cultivate the waste lands of Thrace, and declared that they would "ever hold themselves bound, by the strongest obligations of duty and gratitude, to obey the laws, and to guard the limits of the republic." Valens and his counsellors were not far-sighted enough to meet the crisis adequately. They saw only the immediate gain of a new source for recruiting, and thereby they brought ruin upon the State. Gibbon continues, page 380:—"But the most experienced statesman of Europe has never been summoned to consider the propriety, or the danger, of admitting or rejecting an innumerable multitude of barbarians, who are driven by despair or hunger to solicit a settlement on the territories of a civilised nation. When that important proposition, so essentially connected with the public safety, was referred to the Ministers of Valens, they were perplexed and divided; but they soon acquiesced in the flattering sentiment which seemed the most favourable to the pride, the indolence, and the avarice of their sovereign. They dissembled or disregarded the terrors of this national emigration, so extremely different from the partial and accidental colonies, which had been received on the extreme

* "Decline and Fall of the Roman Empire," Chap. 26, p. 379.

limits of the Empire. But they applauded the liberality of fortune," which gave them an army and the opportunity of taking for the Emperor's use the money they were receiving from those who were unwilling to serve. But they had some glimmering of the danger they were incurring. They saw that if they were to be secure they must Romanise the new-comers, so "it was insisted that their children should be taken from them and dispersed throughout the provinces of Asia, where they might be civilised by the arts of education." They saw, also, that with the Ostrogoths, kinsmen of the Visigoths, pressing down upon the Danube they must deprive the immigrants of their arms. But corrupt officials were bribed and let them keep their arms; then trouble arose between the people and the new-comers. The Emperor led an army against them. Thereupon they opened the passage of the Danube to the Ostrogoths, and together the two tribes wasted the land with fire and sword. That in those days was the result of permitting unassimilable aliens to occupy waste lands for the sake of an immediate gain.

In our time the migration of nations accomplishes itself in a more peaceful fashion, but in the end it may be fully as destructive, especially in the circumstances of Australia. We have, so near us in Asia that we may say they are on our border, hundreds of millions of Indians, Chinese and Japanese, all of whom are living in countries so far crowded that 10,000 of them (let us be moderate) would be glad each year to find fresh fields in new and comparatively empty lands, where pioneering had been done and a stable government established. These people would willingly accept any invitation given them, or any hint even that they would not be unwelcome, to come and occupy and cultivate our waste lands as the Goths offered to do in Moesia. If it were not for the White Australia policy they would come, and what would be the certain result?

V.—Internal and External Dangers of such Migrations.

At first we should have a small number of spontaneous and voluntary emigrants. Then as the opportunities of the new country became known and the owners of land in the north began to reap the fruits of cheap labour, they and steamship owners and immigration agents would begin to organise the immigration—and “after that the deluge.” Prof. Commins tells how it came in America. At first religious persecution, oppression, militarism, taxation and poverty brought a manageable number of spontaneous immigrants. Then the efforts of American shipowners began to bring and attract them, and to this America owes its influx of backward races. The last and worst stage was this: “After the civil war a new form of importation appeared under the direction of middlemen of the same nativity as that of the immigrant. Chinese coolies came under contract with the six companies, who advanced their expenses and looked to their own secret agents and tribunals to enforce payment with profit. Japanese coolies much later came, under contract with immigration companies chartered by the Japanese Government. Italians were recruited by the Padroni, and the bulk of the new Slav immigration is in charge of their own countrymen acting as drummers and middlemen.” Under an impulse like that, if entry was free we should soon have thousands of such immigrants entering the Northern Territory annually. In the main, too, the immigrants would be males. In 1907 there were 41,078 male Asiatics in Australia and only 1997 Asiatic females.* Consequently the effective competition against Australian workmen, and the military danger of the number of Asiatics would be five times as great as would arise if they came in families. Further, white immigration would be checked by the Asiatic influx, and very soon there

* See Mr. Jebb's Paper in the “Journal of the Royal Society of Arts,” April, 1908.

would be 20 Asiatic men to one white man in North Australia. In ten years we might easily have in North Australia quite half the number of unas-similable male aliens which brought about the catastrophe in Moesia, and the control of the occupied country would tend more and more to be lost to us. It would not be Australian but Asiatic ideas that would be cherished there; nor would it be Australian moral and political life that would be achieved. Later we shall endeavour to develop the social results of such a change. Meantime and for our present purpose it is sufficient to register the fact.

Again, we should be introducing these alien immigrants into our country in circumstances of unparalleled danger. These Asiatics would not be what used to be called "broken" or "masterless" men. They would be the subjects of nations which have learned all the secrets of science as applied to war; and in case they were attacked, or oppressed, or even if they imagined or pretended that they were, they would certainly appeal to their homelands just as the Uitlanders in the Transvaal did to Britain. Need the parallel be followed out? Sooner or later there would be difficulties between white and coloured labour which would lead to rioting. In such outbreaks, hitherto, when the Chinese were the victims, the Australian governments have always, for a time, been paralysed. Murder has often been done, but so long as the emigrants' home-land was not able to threaten war, no further bad consequences followed. But with Japan the case is already quite different, and under Japanese tutelage China will soon, in all probability, be armed and mobile as it never yet has been. In any case, such outrages as occurred at the Buckland and Lambing Flat goldfields years ago will in future bring serious consequences with them, and if ample reparation is not made for the first outrages, and if others be not prevented, there will certainly be war, and it will be war against nations which will then be primarily military, ruled from above with no restraining

democracy to hamper them. Further, when it comes, we should find our most exposed front in the hands of the enemy, just as the Romans in Moesia did. Would any immediate monetary gain compensate Australia for such a risk as that?

VI.—Such Migrations have never been tolerated.

Of course, the advocates of cheap labour will say that these dangers are purely imaginary, but this fact ought to give them pause, that nowhere in the world has such an influx of immigrant workers dominated by a different civilisation been permitted. The moment any State is even touched by the evil we have to face, it reacts sternly, just as Australia has done. As we have seen, the mere shadow of our danger has made even Britain pass an Immigration Restriction Act. And Japan itself, as has been already said, when faced by a mitigated form of alien immigration of the kind we deprecate, takes refuge in exclusion, though her general policy now is to permit the entrance of foreigners. So long as they are travellers, students, merchants or missionaries she permits it; but when it is an influx of labourers from China she has to deal with, she does exactly as we have done. In January, 1914, Mr. Gulick, a Commissioner from America, who had returned from a special mission as to America's exclusion laws,* appeared before the Senate's Committee on Immigration and Naturalisation. He was asked: "Does not Japan demand of us what she does not grant to others? Does she not exclude Chinese labourers?" His answer was: "Japan has, indeed, deported Chinese labourers, but not because of Chinese exclusion laws. All her laws relating to foreigners are general, and apply to all nations and races equally. In a few cases Chinese labourers have been deported because of infringement of departmental regulations *requiring that in every case, before foreign labour is brought in, special permission shall be secured.*" That means that the Government

* Cf. "The Church and International Relations;" Japan Missionary Education Movement, New York, 1914, p. 100.

can keep out all immigrant labour if it wishes, and when any comes in without leave it is deported. This is just what our laws do; yet in Japan the excluded labourers are much of the same race as the Japanese, share the same civilisation, and cherish common ideals, and could not, consequently, greatly lower the scale of living or resist assimilation as Asiatics in Australia would do. Further—and most important of all—they could not at present bring upon Japan a well-armed hostile empire. Yet though her danger is so much less than ours, Japan takes precisely the precautions we have taken, with the result that though Japan is so much nearer China than Australia is, there are twice as many Chinese labourers in Australia as there are in Japan, and her population is 50,000,000, while ours is 5,000,000. Nor can she be blamed for so doing. As I have already said, no State in modern times, either in East or West, has ever permitted unrestricted immigration of *this kind*, nor can any State do so if it wishes to survive.

The United States of America came nearer permitting it for a while than any other people, because of its unrivalled powers of assimilation and its large reserves of land; but it has now reacted against it more fiercely than Australia has. Yet a number of thoughtful Americans have been wondering whether irreparable damage has not already been done to the morale, the physique, and the intellect of the country by the invasion which they have permitted from among the backward though white races of Europe; and the President of the British Association, speaking in Sydney in 1914, said:—"Our grand-children may live to see the characteristics of the American population entirely altered by the vast invasion of Italian and other South European elements." That means that there is a fear that this more peaceful "migration of the peoples" may produce the same results as the war-like "migrations" of the fourth century produced in the Roman Empire, when they wrought that Empire's fall.

VII.—Results of such Migrations.

But besides the dangers which would threaten our country from without if we admit Asiatic labourers, dangers which we may justly say are themselves prohibitive of such a policy, we have to consider the serious internal difficulties and dangers of an economic, political, social and moral character which darken the future of all lands where white and coloured men of different ideals and civilisations attempt to live together in one State. As yet in Australia we are without any such dark clouds upon our horizon. We are a homogeneous people, with common memories and hopes. We have come into possession of a magnificent territorial heritage, and we are making the boldest experiments to see if we cannot evolve a social and political condition for the working classes which will give to every man his chance, and to every household a free and fitting life. That is our fortunate position at present, and if we play well the part to which we are called, we may yet be the pioneers of a better time for all men. Under such circumstances, it is surely our duty to keep our heritage free from the problems which darken the future of the United States and of South Africa.

(a) Economic Results.

1. Let us try to see the probable economic effects of coloured immigration upon the life of our own people. In the first place, there can be no doubt that the presence of large unassimilated masses of people, accustomed to a lower standard of living than ours, would tend to lower the wages of all labourers, in the Northern Territories in the first place. For the aliens would be brought hither for no other purpose than to supply the demand for cheap labour, and white labourers could not compete with them. This, again, would check the already too scanty flow of white manual labourers into the North, till only white men who could superintend others would be left. Thereupon, all white men would come to regard manual labour as servile, and fit, therefore,

only for coloured men, as we see in South Africa and India; and the final result would be the rise of a society consisting of white proprietors of land, with their white overseers; of the coloured population who cultivated and wrought it; and of poor whites who, scorning manual labour, would live miserably by various thriftless devices. Now, economically, that is a bad form of society; without slavery it must be left utterly behind by all well-organised, modern states. It existed in the Southern States of America; but, had civil war not come, America would probably have had to bring it to an end by some other kind of revolution. For, even from a merely monetary point of view, it would have been an anachronism in our modern world. Obviously, therefore, to extend the area of cultivation in Northern Australia in this fashion would be a huge economic blunder. We might enrich European capitalists by it, but we would drive out or degrade the working man of British descent. A form of economic life which degrades labour and discourages thrift neither deserves nor has power permanently to survive.

But, further, the bad economic results of this policy could not be confined to the territories of mixed population; they would be spread abroad throughout Australia by the flow of coloured men to the more Southern white States. Of course, there would be laws to prevent that, but they would be locking the stable door after the horse was stolen. They would bring upon us, too, all the reproach of the exclusion Acts without giving us security. With the sea as the colour-line, we can make exclusion effective, but no artificial inland colour-line can be securely guarded. A recent writer puts the case in a nutshell—"Asiatic settlement in the Northern Territory would (as no Dixie's Land could be maintained) soon involve a steady drift to the South, and with free ingress the preliminary trickle

* "The Round Table Magazine," February, 1911, p. 188.

would soon become an irresistible tide." In Natal the attempt was made to maintain such an inland colour-line, but, although the immigrants were registered and their finger-prints taken, it broke down utterly. There was a passive resistance movement among the Indians, and upwards of 1000 of them were started on a march into the Transvaal, which led to riots and the death of some of the invaders*. Thereupon, strong appeals were made to the British and Indian Governments. These things, says the "Round Table," have opened a new chapter in the history of the relations between the Government and people of India on the one side and the self-governing Dominions on the other, wherein all the resources of statesmanship will be taxed to find a satisfactory solution." In our case the inevitable flow of aliens southwards would be much more formidable, since we should be dealing not only with people from another part of the Empire, but possibly with a foreign power of the first class, armed to the teeth, and peculiarly jealous of its national honour. Obviously, under such circumstances the alien labourers would scatter themselves everywhere. Because of their cheapness they would be employed; to keep their employment, white labourers would have to approximate in many cases to the lower rates, and the upward struggle of the white working classes would be brought to a standstill.

(b) Political Results.

2. Consider, now, the political difficulties we should have to face if we permitted unrestricted immigration. These would centre mainly about the giving or withholding of the vote. If we remained faithful to the democratic constitution of the Commonwealth, we should give it. Then, in a few years we should have a mass of voters, say, 100,000, who would be in sympathy only with personal government, and who had no taste for demo-

* "Round Table Magazine." March, 1914. pp. 357 and 360.

crazy. To them a vote would have no value except for the price it would fetch, as is the case with the lower class of American immigrants. "Come over here, quick, Luigi," writes an American Italian to his friend in Palermo; "this is a wonderful country. You can do anything you want to; and, besides, they give you a vote you can get two dollars for."* Of course, the advocates of unrestricted immigration will say that the races who would come here, especially the Japanese, are too well educated to act thus. Yet, according to a Japanese Member of the Diet, who writes in the "New East" Magazine for October, 1917, this is precisely the thing the Japanese does with his vote in his own country. It is "looked upon as a means of earning a little pocket money," and the result is that the votes are manipulated by political "bosses," a class which has, according to the same authority, become so dominant that "candidates are quite at their mercy." That means Tammany, and all its sinister power. On the other hand, if we refused the franchise, the members elected to municipal councils and parliaments would represent the white minority only. There would be no voice to speak for the coloured population; and any rumours that they were suffering wrong or neglect would be scoffed at or denied by the white oligarchy, for the rule would be that of an oligarchy under the forms of democracy. The end of that would be seething discontent. Then, some hard-pressed party leader would give the franchise, and we should have the vote bestowed under the worst possible circumstances. In either case, consequently, the alien vote sold by coloured "bosses" would predominate in the North of Australia for a time. But it would be only for a time, for, just as the whites of the Southern States of America after the war nullified the negro vote by force and fraud, so would the whites be compelled to do here. With that, racial hatred would grow, and who can say that all its evil brood of lynchings and rebellions would not follow.

* Ross, "The Old World in the New," p. 266.

(c) Social Results.

3. As to social results, we can easily see that they would be such as could not be possibly tolerated in a free democratic State like Australia. As far as we can ascertain, the only form of society in which, so far, coloured people with a different civilisation mingling with whites have had a tolerable life, is one where there is a white oligarchy with only coloured labourers under them, with no white labouring class, as in Jamaica.* That, consequently, is the form of society which would tend to establish itself in Northern Australia. Now, Olivier, the resolute defender of the Jamaica arrangements, admits that such blended communities as have arisen there "have not a high status among human societies;" that illicit inter-breeding invariably takes place in such conditions, and that inter-breeding, illicit, or, preferably, legitimate, is almost necessary. For, he says, "a community of white and black alone is in far greater danger of remaining, so far as the unofficial classes are concerned, a community of employers and serfs, concessionaries and tributaries, with at best a bureaucracy to keep the peace between them." He also admits that the sexual morality of both white and coloured in such communities is low, mainly, he thinks, because the white man "sedulously, by precept and example, educated the black in the looser relations to which he is now addicted." Further, in Australia, from the fact that it would be to the interest of the large landowners who would import coloured labour, that aliens when imported would not become too independent, they would prevent the rise of a coloured peasantry by every means in their power. This would give us a far lower social state than that found in Jamaica, a state similar to that found in Antigua, where the position of the coloured people is at its worst.

* See Olivier's "White Capital and Coloured Labour."

* *Ut supra*, p. 38.

(d) Moral Results.

4. As for the moral results of unrestricted immigration, something has already been said in connexion with the economic, political, and social results of unrestricted immigration. We have just seen that the community likely to be established in Northern Australia in this way would, on account of the mixture of races, not be of a high type morally. But, apart from this, such immigration always brings with it low morality for another reason. That is, that in such migrations, the males enormously outnumber the females. As has been already said, Mr. Jebb, in his paper published in the Journal of the Royal Society of Arts in April, 1908, states that at that date there were 41,078 Asiatic males and 1,997 females in Australia. Considering the great unwillingness of white women to lose caste by marrying Asiatics, that must be a source of immeasurable evil. The immigration of indentured Indian labourers to Fiji has also shown a large majority of men over women; and the moral results have been so bad that the women of India have organised opposition to the emigration on the ground of its immoral results. But it is not only the unofficial Indian public that deplores these results. In 1912 a Commission (one Englishman and one Indian) was appointed to enquire into the matter. After quoting the Commission's approval of the economic results of the emigration for the people who go, the Indian Year Book for 1917 (p. 495, col. 2) reports—"As regards the moral condition of the immigrants, the Commissioners observe, 'There is no doubt that the morality of an estate population compares very unfavourably with that of an Indian village, and that the trouble originates in the class of women who emigrate.'" The Year Book continues—"The rates of suicide among the indentured labourers is high as compared with those among free Indians in the Colonies, and much higher than among the population in the provinces of India." According to a statement pre-

pared by the Department of Commerce and Industry of the Government of India, the average suicide rates for India are—

The Bombay Presidency, 28.8 per million.

The United Provinces (whence most emigrants come), 63 per million.

Madras (the other chief source of supply to Fiji), 45 per million.

Whereas, in Fiji among unindentured Indians it is 147 per million; and among indentured Indians it is 926 per million.

No wonder we read further—"Opinion in India has been ripening fast against the system. The conclusion seems inevitable, therefore, that for both white and coloured people their association in this way is bad.

But, if the bringing of Asiatic immigrants to Australia would be bad for both; if it would bring with it internal difficulties of an almost insoluble kind; if it would immeasurably complicate our external relations with the East Asian powers, so that we should live always under the menace of possible war; and if finally no nation has permitted such a thing, it may be asked why does anyone advocate such a policy? Want of space forbids that all the reasons given for it should be discussed at length. But when the money loss to us of an empty land, the folly of delay in developing the Northern Territory, and the need we have of more production to meet war taxes are advanced as reasons for unrestricted alien immigration, such reasons scarcely seem to need consideration in face of the danger and complications it would cause. Nor need general humanitarian reasons delay us, if it be clear that the mixture of races of different civilisations does, not good, but harm, to all concerned.

PART II.

The Policy of Non-selective Immigration.**VIII.—Reasons in Favour of it.****(a) White Men can never Live and Work in the Tropics.**

But some of the assertions made by the advocates of that policy must be more carefully examined, and chief among these is that which a journal published in Sydney made the other day, viz., that—"Providence never intended that the white race should labour in the Tropics," and that they cannot. Well, of course, if this journal has reliable private information of this kind from so high a source, we should have to bow our heads in submission. But, keeping to the more reliable ground of experience, there seems little evidence to support such a view.* Persons in authority say otherwise. For example, the Administrator, Dr. Gilruth, is strongly of opinion that white men can live and labour there. Mr. Deakin, too, at the Conference held in London in 1907 when speaking for all Australia, with all official information at his command, and under a full sense of responsibility, said that "White men can beat the black man or Chinaman out of the field in cane-cutting, or any other employment, in any climate we have in Australia," without injury to health. And Mr. Brinsdon Fletcher, writing this year, after pointing out that the line beyond which white men cannot do manual labour has been pushed further north with each decade, declares that "On the mainland of Australia it has been discovered that through all the latitudes northward the white man can work in the open without impairing his strength." The one thing that has been suggested by experience is that white women, born in the South and come to adult years there, cannot be successfully transplanted to the North. But what else could we expect, so long as we do not adapt our houses, our food, our drink,

* See "The New Pacific, 1918."

our manner of living, to the climate. Does anyone suppose that if Scottish or Scandinavian labourers and their wives were transferred to Naples, say, and if they persisted in living as they did in their colder home; if, moreover, their places were always filled up by new imports of the same kind, their settlement would be successful? That is not how the Northern races in Europe have been adapted to the warmer South. They came step by step, first living north of the Alps for a while, then in the Alps for a generation or two, then at last by the Southern Sea, where under climatic influence they became lighter in body and more nimble in mind, and stood forth at last as some of the choicest races of the world, perfectly suited to their new environment, and permanent there. Why may not a similar transformation take place in Australia, with a like happy result? The movement here would be from the South, and would demand generations of time to accomplish itself, but until that way of filling our Northern lands has been tried and failed, no man can say that white men and women, modified as they would be in such a transit, could not live and work in tropical lands like ours. For, even without any modification of type, it seems at least probable that if our race would cease from the folly of defying the heat; if they would adopt the diet of the natives of hot countries, abstain from alcohol, and build houses that would effectually protect the women and children, they might maintain a large measure of effective life. But, however that may be, it is clear that the dictum that we Australians cannot ourselves occupy Northern Australia rests upon nothing that can be called proof. A hundred years hence that may be proved; it is ridiculous to say that it is proved now.*

* For a more recent and carefully-balanced statement on this point corroborating the above, reference may be made to an article in the "Edinburgh Review" for April, 1918, page 222. It is as follows:—"In no part of the Tropics, so far as can be ascertained, have English families been able to acclimatise them-

(b) It is wrong to refuse entrance to Peoples of Congested Lands—(a) Japan; (b) China; (c) India.

2. Another strong point against the White Australia policy is that we have no right to keep Asiatic

selves and rear their children on a large scale during several generations. If these conditions were to be permanent, the attempt to colonise the Australian Tropics with White men would be foredoomed to failure, and the White Australian policy, so far at least as it applies to the North, a noble but impracticable ideal. But in the last 20 years the advance in the study of tropical medicine has begun to revolutionise our notion of what is possible for white men in the Torrid zone. Panama was once a death-trap; it is now a prosperous community. A place which was condemned as the foreign office grave is now famous as the health resort of Nigeria. West Indians came, in the 18th century, to England to recuperate; in the 20th century London doctors are beginning to recommend the West Indies as a sanatorium. It is important not to exaggerate what has been done. We know that white men can not only live in the Tropics under proper conditions, but that they can do manual labour there for many years without harmful results. There is evidence also that white women run their households efficiently and bear children, but this evidence is naturally less conclusive, because there are fewer white women than men in the settlements. So far as it goes, however, it is not unsatisfactory. There is also evidence that the children so born are healthy, that their mental and physical powers are not less than those of children born and reared in temperate countries. But this evidence is even less conclusive, both because numbers are small, and because there has not been sufficient time for these children to grow up and prove their capacity. The question of the white man's fitness to colonise the Tropics will not be settled till the tropic-born children of present settlers have reared their own tropic-born children and found them not inferior to others born elsewhere. But we cannot wait 50 years to settle that question, and unless we proceed with tropical colonisation on the affirmative assumption, we shall not settle it at all. It is at least possible that time will rank this (*viz.*, the belief that white men cannot live in tropical countries and do manual labour) among other exploded superstitions, such as that Londoners and Australians become extinct in the third generation, or that there is a natural tendency to insanity in those who live in the Antipodes. And we have to attempt organised tropical colonisation by white men if we are to hold certain of our tropical possessions at all, and under the new conditions we may hope to attempt it with every prospect of success.

labourers out of our unoccupied lands, since they are so overcrowded in their homelands that if they remain there they must starve. A Japanese, Professor Nagari, puts it thus—"If the yellow races are oppressed by the white races and have to revolt to avoid congestion and maintain existence, whose fault is it but the aggressor's?" The conclusive answer to that complaint is that none of the Asiatic nations from which immigrants would come to Australia are in that position, if statistics of density of population are to be our guide. It will probably be objected that these depend greatly for their validity on the fertility of the soil in the countries compared, and the prevalence or otherwise of manufacturing industries. That is quite true; but when the areas taken are sufficiently large and are approximately in the same climatic zones, and when both agricultural and manufacturing industries exist, as is the case in India, China, and Japan, the inequalities largely disappear. If anything, the balance will be against the white nations, since more of the Asiatic countries are in the Tropics, and the cost of living is much lower there.

(a) Japan.

Let us take Japan proper first.* On the 31st December, 1907, the population was 330 per square mile. At the same date, the density in the United Kingdom was 366 per square mile, while Belgium before the war had 461. Since her victory over Russia, Japan has increased her territory from 160,000 square miles to 245,000, and her population has been increased only to 62,000,000. Consequently, her population now is 253 to the square mile, not so very much more than half the density in Belgium. Moreover, the *Encyclopædia Britannica* tells us that the Japanese army statistics show that the average height of recruits is rising, and no nation grows in stature when it is engaged in a losing fight to maintain existence. The same

* "Encyclopædia Britannica," Article Japan.

** "Round Table Magazine," February, 1911, p. 118.

* "Encyclopædia Britannica," Japan, p. 164.

authority tells us that owing to large fields suitable for colonisation having come into Japan's possession, "the problem of subsistence has ceased to be troublesome." Consequently, if any country can claim entrance to our waste lands on the plea of starvation, Japan is certainly not that country.

(b) China.

Neither is it China, though the popular idea is that "China is full to overflowing."* China proper averages only 250 to the square mile, against Britain's 366. From that fact we would conclude that congestion of a serious kind does not exist there. But, remembering the objection noticed above, it is well to supplement the statistics. Recently a Colonisation Association was formed in one of the provinces of China, not to send emigrants abroad but to occupy waste lands at home. In the petition which its Board of Trustees addressed to the Governor-General of Kiangsu, looking back to ancient times, they recall that there once were just land laws, but they were repealed, and this, they say, was the result. "The fertile lands lying both in the North and in the West were then laid waste, to say nothing of the already barren regions where cultivation and improvement was never thought of. With natural resources thus undeveloped, our people have been led from idleness to poverty, which is mainly responsible for China's weakness. It is for this reason that we have started the Colonisation Association with a view to relieve the poor through the cultivation of the waste plains and valleys." Evidently these people do not know that their country is "full to overflowing."

(c) India.

The case of India, again, is precisely similar. The Indian Year Book for 1917, p. 367, says—"In the whole Empire there are on the average 176 persons to the square mile, or much the same as Europe outside Russia. In British territory the number per square mile is 223; in the native States,

* "Church and Internal Relations," p. 115.

100." Moreover, competent authorities in India have assured the present writer that by the introduction of scientific agriculture the produce from the land could be very greatly increased. At p. 494, col. 2, of the Year Book, where the editor deprecates the fear of Indian immigration to the Dominions, he concludes with this sentence—"The demand for labour in India is always greatly in excess of the supply."

These things being so, it is difficult to see why the exclusion policy should be attacked on the ground of excessive congestion in Asia. As we see, the Asiatic nations, among whom food is much cheaper, are not so congested as Britain, and much less so than Belgium. Surely it cannot be contrary to the claims of our common humanity that we should prefer, even vehemently, to relieve the greater congestion of nations whose fundamental conceptions are the same as our own, who could at once enter into our citizenship, and who could not bring war upon us by an appeal to their homeland, rather than that of peoples of whom precisely the contrary is true.

(c) Moral and Religious Reasons.

3. Lastly, we come to the objections to the White Australia policy founded on morals and religion. It is said—"This policy of yours is immoral and unchristian. Professing to be a moral people, you disregard the claims of justice and humanity; professing to be a Christian people, you ought to do to others as you would have them to do to you." The first part of this plea has been answered by what we have said on the humanitarian issues; the second may be answered by pointing out that Australia asks of Japan exactly what she wishes Japan to do to her, and what Japan actually does. Our exclusion law takes the form Japan demands; and neither the Japanese nor any other race is now excluded by name. Our policy has been adopted by us, as it has been adopted by Japan, solely because the belief is common to both coun-

tries that the immigration of the labourers and artisans of the one into the country of the other would be good for neither the receivers nor the received. It cannot be a moral duty to do that which will harm all concerned.

As for the directly religious plea that we should permit landowners to import cheap, non-Christian labour because that would give missionaries a better opportunity to make them Christians, there is a strong *prima facie* case against it. Firstly, it is not a good way of attaining that end. We have had Chinese and Muhammadans and heathen islanders from the South Seas in Australia, and nothing known to us indicates that more of them have been won to Christianity in proportion to the means employed than would have been won had the same means been employed in their own country. When they arrive here they drift into the lower parts of our towns, where they come into contact mainly with the least moral and the least religious elements of our population. The idea they must form of the practical results of Christianity cannot be high, and thus a stumbling-block is placed in their way. That, we may believe, is why no Missionary Society has ever colonised, or annexed, or imported aliens, in order to do good to non-Christian peoples. That is also why religious opinion in Britain and America has never even suggested the employment of such means. Secondly, it is extremely dangerous to accustom ourselves to mingle religious motives with the pursuit of gain. The importation of alien labourers is proposed simply for the material advantage it would bring us.* "The motive cause of the proposal is the interest, immediate or future, of European colonists, merchants, or treasure-seekers." That is a creditable motive enough, but we do well not to bring even the sincerest religious propaganda into such an alien sphere. As was shown by the history of Spanish America, where the religious motive is used to

* "White Capital v. Coloured Labour," p. 7.

buttress the desire for gain, it becomes a fearful instrument of evil. For when the primary motive—desire for gain—is placed under the sanction of religion, the ordinary scruples which restrain men are apt to be most fatally weakened, or entirely removed.

IX.—Summary of Argument and Conclusion.

? As far as our space would permit, we have now weighed the arguments for and against the Australian policy in this matter, and have endeavoured with impartiality to forecast the results of it and of the opposite policy, founding always upon what has actually occurred elsewhere, under conditions such as would arise here under unrestricted immigration. The result is that, whatever difference of opinion there may be on the various points touched upon, one thing seems to stand out like a rock above the sea of controversy. That is the fact that unrestricted immigration of the kind proposed would thrust upon us who are as yet free from them, problems before which human political sagacity stands entirely helpless in other lands. Is it conceivable that those can be wise men who ask us, for the sake of some economic expansion now, to compromise all our future by introducing these terrible race questions which darken the outlook of some of the fairest countries of the world? The "White Australia policy," therefore, seems to be much more than justifiable. It is necessary for our safety, and for the development of that better life for the mass of men for which we may believe this island continent was put into our hands. Moreover, the exclusion policy has been justified by its success. Japan and India and China are now putting an end to the emigration of labourers to America, and to Australia it has practically ceased. Further, both Japanese and Indian leaders recognise that the question is mainly economic and political, not primarily racial, as they at first conceived it to be.* They

* Cf. Gulick *ut supra*, p. 92 and "Round Table Magazine," June, 1914, pp. 470 and 472.

begin to see the justification for our action, and are willing to respect it. But all the more they insist on two things—the first is that the legislation which secures exclusion shall be general, that their people shall not be excluded solely because they belong to Japan or China or India. We in Australia have complied with this demand in all our legislation since 1901. The second is that their countrymen already in the excluding countries shall be justly treated, protected against mob violence, and relieved of any legal restrictions binding them alone. This, also, is just, and now that the main question is for the present settled, every guarantee should be given that the Asiatics in Australia shall have the fullest protection under equal laws.

So much our own character and traditions demand of us, but it is also greatly to our interest that we should deal in a just and friendly spirit with the nations of Asia. For we must face the fact that the present favourable conditions may not always continue. If we cannot, within a reasonable period—say, 100 years from now—occupy Northern Australia with a white population, we shall assuredly have our right to keep it for our race challenged, and the challenge will be just. We have a right to ask so much time for the reasons already stated, viz.:—(a) That we cannot know decisively before then whether white men can live and do manual labour there, and (b) because until we are 20,000,000 or 30,000,000 we could not assimilate and absorb into our citizenship any large number of immigrants so different from our own people as Asiatics are. For 100 years, therefore, we must be prepared to fight, if necessary, for a White Australia.

X.—Suggestion for a new Friendly Solution of the Problem.

But it would undoubtedly be far more satisfactory if we could secure our position by agreement with our Asiatic neighbours. The first requisite for that is some feasible plan

which, while not absolutely prohibiting immigration, would be just to all parties. Such a plan has, in our opinion, been supplied by Mr. Gulick for America, in his contribution to the book we have so often referred to, "The Church and International Relations,"* by C. S. Macfarland, New York. His fundamental principle is (p. 217) that exclusion should not be insisted on, but that "the number of immigrants who may be allowed to come from any land should depend on their ability to enter our economic life without harm to the labourers and the people now here." No nation "can allow groups to be formed in its midst who regard themselves as colonists, representatives of their homeland, in America but not of it; not learning its language nor adopting its ideals." Only so many immigrants of any people should be admitted as can be Americanised, and Americanisation depends upon the number of that people already naturalised and fitted to their environment, who can receive and mould newcomers. He therefore proposes that the maximum permissible annual immigration from any people be a definite per cent. (say five) of the sum of the American-born children of that people, plus those who have become naturalised of the same people, and that this restriction should be imposed only on adult males. "Then," he says, "the Federal Government should take full charge of resident aliens and should insist upon their education in American ideas, and the English language. Citizenship then should be given only to those who qualify in the schools for citizenship, and should be given to all who qualify regardless of race. "This restriction of immigration provides the protection demanded by the Pacific coast and safeguards the economic welfare and rights of our industrial workers. Registration and education for citizenship provide for genuine Americanisation of immigrants from every land. Naturalisation of all who qualify

* *Ut supra*, p. 216.

safeguards our democratic institutions and removes differential race legislation from our statute books, and these provisions would satisfy Japan and China."

This plan, intended to meet American difficulties, would meet ours also. It is just, and moderate, and ingenious; it puts restriction on its right basis, and it would remove the reproach which absolute exclusion even if necessary always brings. Some freedom of international movement and communication, too, would be retained, while the dangers of unrestricted immigration would disappear. For Australia it would be an ideal settlement, and it would give legitimate satisfaction to all the humanitarian and religious scruples which would have to be disregarded if the only alternative to absolute exclusion were an unrestricted influx of aliens.

CHAPTER XIII.

THE PRIVATE WEALTH OF AUSTRALIA: ITS GROWTH AND DISTRIBUTION.

By G. H. Knibbs,

Part I.—The Nature of National Wealth.

CHAPTER I.—INTRODUCTION.

1. General.—The aggregate *Private Wealth* of any homogeneous community constituting a nation, together with its corporate possessions, may be called its *National Wealth*. The term wealth may, however, mean several things, viz., either (i.) the wealth owned by the domiciled inhabitants (a) the corpus itself being within the country, or (b) without that restriction; or (ii.) the wealth within the country irrespective of the domicile of the owner. Owing to what has been called the "anonymity" of capital, wealth may, of course, be owned by persons not only not domiciled in a country, but not even owing it allegiance.

Estimates of national wealth may be founded upon more or less shrewd guesses at the average wealth per unit of population; upon rough computations based upon statistics of banking deposits, together with houses and land occupied; and similar data. Such guesses, however, have relatively no authority, since their degree of accuracy cannot be ascertained. A census of the wealth of a group in any community, either taken at random, or better, properly selected, gives a result of greater weight. Estimates may also be founded upon returns of income—an uncertain method; upon the value of estates of deceased persons, considered as representative of the rest of the community, a method of some value.

The estimated values of the estates of persons dying have been supposed by many to be of more than ordinary accuracy, constituting, as it were, a most appropriate parcel, viz., one taken quite at random, and sufficiently large to be representative. The best result is, of course, furnished by a complete census of wealth.

2. Value, how estimated: Its uncertainty. —

Though the values in which estimates of wealth are expressed must necessarily be *exchange-values*, these are by no means fixed and unalterable, nor are they, though necessarily the common basis of all comparisons, readily ascertainable with a high degree of accuracy. The corpus of wealth is ordinarily represented by tangible securities, e.g., currency, consols, inscribed stocks, bonds, shares, real-estate, etc. The exchange values of these, however, often rapidly fluctuate with public credit or popular appreciation. For this reason estimates of value should be made—as far as possible—in normal times, and changes of value do not necessarily represent actual changes in the physical element constituting the wealth. When the purpose is to ascertain the material basis of wealth, the exchange value may be less important; for example, the *numbers*, rather than the *values*, of flocks and herds may, in certain cases, be more important.

3. In his "Sozialstatistik" (1908), G. Schnapper-Arndt says concerning certain tables, purporting to give the national wealth of a number of civilised countries, that the greater part of the particulars have been merely fabricated. Quite apart from the basic difficulty of accurately estimating, in terms of money, various forms of wealth, very few people can declare off-hand, with any exactitude, the value of what they possess. Moreover, values themselves have a wide range, viz., from those disclosed under conditions of "forced sale" to those when sales are under the most favourable conditions for the seller. Hence even when a comprehensive census of wealth is undertaken, and all persons are

required to furnish, under appropriate categories, the value of all material wealth possessed by them, with every safeguard to avoid repeated inclusion of the same items (as when encumbrances exist) the result is subject to a larger margin of uncertainty than is commonly appreciated. A comparison of estimates of value made at "boom" times with those made at ordinary times is but an extreme case of this uncertainty. It is evident, from these and similar considerations, that comparisons of wealth, estimated as existing at different dates, are subject to a large measure of uncertainty, quite apart from that arising from the varying significance of the money standard, and deductions based on such estimates, expressed in terms of pounds sterling, have to be used with corresponding caution.

Among estimates of wealth with any pretensions to accuracy there are two, at least, which take a high place, viz.:—(1) Estimates furnished in a Census of Wealth (usually made by its possessors); (2) estimates of wealth disclosed through death (probate returns). The first is usually fairly complete, and is of a precision governed by the integrity of the returns themselves. Where the returns do not systematically either understate or overstate, the final result may be regarded as of high precision.

Although the second method is obviously of the nature of an average parcel, it is only a partial return, since probate returns are not required for estates of small value. The total wealth will, therefore, be under-estimated if no allowance be made for this fact. Moreover, for short periods the returns themselves are subject to a considerable measure of uncertainty as "representative parcels," inasmuch as large estates come under review only with great irregularity. Moreover, wealth is transferred during lifetime, often to persons of a lower age.

4. Sense in which Wealth is attributable to Individuals.—A person living in any community may possess wealth consisting of lands, goods, or instruments of credit, (a) *within* the territory occupied

by that community, or (b) *without* it. In the former case there can be no doubt that such wealth is part of the communal or national wealth: in the latter case, the *purpose* of the estimate would determine whether the inclusion or exclusion of particular items was necessary. For ordinary purposes (b) would be included in estimates of national wealth, inasmuch as such wealth has *exchange-value*, notwithstanding that the *corpus itself* is not in the territory occupied by the community. There may, however, in some cases be a measure of uncertainty as to the total wealth to be accredited to a country, owing to uncertainties of nationality and domicile. For example:—Let us suppose that A, an individual living in the community considered, has property therein of value W , subject to an encumbrance of w , held over it by F, the latter being abroad. The value to be recorded is $W-w$; and, if questions of domicile were always definite, and a census of wealth was complete, there could be no uncertainty in respect of the estimation of the communal wealth. If, however, F were only temporarily abroad, and his real domicile were in the community, the total wealth ought to be W , the part $W-w$ belonging to A, and the part w belonging to F.

5. Wealth under Private Ownership.—The term *private wealth* is used in contra-distinction to *public* or *semi-public wealth*. In Australia the term would cover all that wealth, the proprietorship of which resides in individuals in their *private* capacity, and is not vested either in the Federal Government, a State Government, or any form of Local Government. It thus comprises all wealth

- (i.) which is under the direct control of the individual proprietors thereof;
- (ii.) which is administered in trust or by delegation in the interest of individual proprietors;

(iii.) which by the intermediary of shares, debentures, stock, mortgages, or other means is allocated directly or indirectly, wholly or in part to individual proprietors;

(iv.) which is collectively owned by groups of private persons without any specific allocation to individual proprietors.

Section (iv.) comprises such forms of wealth as the property of Clubs, Churches, Schools of Art, Mechanics' Institutes, etc. These may for certain purposes be conveniently classed as *social private wealth*.

6. Wealth under Communal Ownership.—In all well-developed modern communities a considerable quantity of wealth is vested in local governing bodies of various types, whose scope and functions are usually prescribed by legislation or by regulations of the central government. These bodies include city, municipal, borough, shire and similar councils; irrigation trusts, tramway trusts, school boards, hospital boards, fire brigades, waterworks boards, harbour trusts, etc., etc. The property held by them covers a wide field, and includes such items as roads, railways, tramways, public buildings, plant, machinery, reservoirs, water channels, etc., etc. The several bodies controlling these forms of wealth are required to administer them in a *public* capacity for the benefit of the community resident within the ambit of the jurisdiction of the body in question. The property is in a sense owned by the persons who make up that community, but it is owned by them collectively, not individually, and the constitution of the corporate controlling body is usually not amenable to direct alteration by the members of the community in question.

7. Wealth under National Ownership.—All those forms of wealth the proprietorship of which vests in the central governing body may be conveniently described as under *national ownership*. In the

case of Australia and other federations, this is somewhat complicated by the fact that there is usually not one but two such bodies (which divide the central control between them), viz., the Federal Government, and, in respect of any given part, a State Government. It will be convenient, however, to class the property of Federal and State Governments under the one general heading of *national ownership*. In Australia the principal items of property which are the subject of *national ownership* are Crown lands, Government railways and tramways, Government buildings, naval and merchant fleets, waterworks, harbour works, telegraphs and telephones, defence works, and naval and military equipment and material.

8. Variation in Valuation Cases.—From the foregoing classification of ownership under the three heads of *private, communal, and national*, it will readily be understood that it is quite impossible to obtain any estimate of the value of *all property* on the basis of exchange value, since many properties, while rendering great services to the community, would possess little value in exchange, owing to the absence of any market for the property in question. This is especially the case with many of the items of *communal and national ownership*. For example, a building erected and equipped as a Parliament House or as a Public Library would be of little value, in proportion to its cost, for any other purpose, and thus being practically unsaleable, cannot be properly said to have an exchange-value at all proportionate to its cost. In other cases, as, for example, Government railways, there is no doubt that if offered for sale they would realise high prices, but in the absence of any sales of this nature it is impossible to say what their exchange-value might be, and how it would compare with their cost of construction. Another class of property under *national ownership*, viz., Crown lands, occupies a somewhat different position from either of the foregoing. In closely settled districts there is practically always a market for real estate, and within

reasonable limits a fair exchange-value could always be ascertained in respect of the Crown lands in such districts. In sparsely settled pastoral districts, on the other hand, where the land is usually occupied under some form of lease from the Crown, this does not apply, and it is even less applicable in the case of the huge tracts of *unoccupied lands* which make up so large a proportion of the Crown lands of Australia. Much of both of these latter classes will probably have considerable exchange-value in the future, and possibly in the near future, but at present there is no basis on which anything deserving the name of an *estimate* of their value could be made.

In the case of "private wealth," on the other hand, there is not the same difficulty, and in most cases reasonably accurate estimates of the exchange-value can readily be made. Thus we see that although both private and national wealth may be productive in varying degrees, or may even involve varying degrees of loss, and that these facts may materially affect the exchange-value of the wealth, they are in themselves irrelevant. The exchange-value is the only relevant matter in estimations of private wealth; other questions may therefore be dismissed from consideration, notwithstanding that for *particular* purposes other bases of estimation may be necessary; for example, the value of railway and other public services, as already indicated.

9 The Fluctuation of Wealth.—Wealth is not a fixed, but a fluctuating quantity. In a country like Australia—a large and compact island continent—in which a considerable portion of the wealth consists of flocks and herds, the fluctuations are quite considerable, not merely because the physical elements of the wealth vary considerably with abundance or dearth of rainfall, but also because their exchange-values are materially affected by the same causes. Thus drought conditions may cause not only substantial losses in actual numbers, but also a variation in exchange-values.

Estimates of wealth, therefore, to be of high value and to be available for comparative purposes, must *be based upon average conditions*. It follows, therefore, that a census of wealth which merely gives values at a particular moment will, ordinarily, but imperfectly represent such average conditions. On the other hand, however, it rarely happens in extensive territories, that physical conditions are specially adverse or specially favourable throughout the entire area at any given time: consequently, as the territory embraced in any estimate is increased in size, the result of any estimate tends more and more to express average conditions.

The *range* of fluctuation for different classes of wealth is by no means identical. In the case of sheep and cattle in Australia, for example, the variations of exchange-value are very large, while those for houses and buildings, plant and machinery, etc., are, relatively thereto, only small. In so-called "boom times," values ascribed to land are unusually high; at the collapse of a "boom" they are very low: national securities fluctuate greatly with national credit, with the probability of war, or of the fortunes of war, etc.; estimates for probate or other duties are usually too low, while estimates, made without regard to the liability to duty, are likely to be too high.

In order that a Census of Wealth should furnish a normal result, therefore, it is requisite that the period covered should be sufficient to furnish average values. The period over which the values are taken should consequently be commensurate with the fluctuation periods, which, as said, are diverse for different classes of wealth. A census of wealth representing values at a particular moment may be consequently very unsatisfactory if the selected moment should happen to be one at which other than average conditions obtain.

CHAPTER II.—VARIOUS METHODS OF ESTIMATING WEALTH.

1. **A Census of Wealth.**—A comprehensive census of wealth furnishes a direct estimate of such part of the possessions of a community as can be expressed in terms of money values. Such a census indicates the wealth as referred to a particular moment of time, and its worth depends upon the care with which the estimates of exchange-value are made.

2. **Probate Returns.**—Since, in practically all civilised countries there are what are generally known as "succession" duties, based upon the values of the estates which pass to successors in title, valuations have perforce to be made on the death of possessors. Such valuations are available in Australia in the "probate returns."

The methods which have been adopted for ascertaining the ratio between what passes to successors in a unit of time (one year) and the total wealth of the community, are two, viz., (i.) the determination of the average interval of time between the passing of estates to the successors in title, and (ii.) the ascertainment of the average rate of the passing of estates during any period under review. The first may appropriately be called the *devolution-interval method*, and the second the *devolution-rate method*. Obviously the two methods are—in the last analysis—essentially the same, the number of years in the average devolution interval being the reciprocal of the annual rate of devolution. At first sight it might, therefore, appear that it is a matter of little moment which method is followed. This surmise is, however, not correct. The devolution interval method is the more complicated and uncertain.

3. **The Devolution Interval.**—Since the average length of life differs in the case of males and females, the devolution interval varies according to sex: moreover, as the rate of mortality is diminish-

ing for both sexes the interval is lengthening for both. For this reason, if it be treated as a constant quantity, deduced estimations of the aggregate of wealth, based upon any value founded on past experience, are consequently unsatisfactory: they require correction for the increase in the "expectation of life." The interval is, of course, the weighted average period between the succession to wealth in one generation and its passing on to the next. The determination of the "weights" to be used in ascertaining the weighted average introduces complexity into the method.

All wealth created during the life-time of any individual obviously operates virtually as a reduction of the period intervening between "successions." Thus this period, when exactly ascertained, should be altered by way of correction. Existing data, however, furnish no information by means of which the necessary correction can be evaluated.

Wealth, conveyed during the lifetime of possessors, causes estimates of the total deduced from a correct estimate of the devolution-interval to be understated.

4. The Devolution Rate.—The fundamental conception of the devolution-rate method of estimating the aggregate wealth is that the persons dying during any period constitute a "fair sample" of the living, as regards the possession of wealth. If the wealth of those dying be known, that of those living could be deduced by multiplying by the ratio of the living to the dying. That proportion of the dying, whose estates are sufficiently large to come under review in probate returns, give an aggregate of wealth which is too small, and consequently the wealth of the remainder must be estimated in order to furnish the total wealth of the dying.

This, then, is the *principle* of the method. In applying it, however, it is necessary to bear in mind that the distribution of wealth varies according to

both age and sex, and therefore the death of those dying should be dealt with according to age-groups and for the sexes separately.

If the period of review be short—one year for example—the infrequency of the appearance of large estates in probate returns is such that it will occasion large discrepancies in the result deduced for successive years, according as a large estate appears, or does not appear, in the returns. Consequently accurate results can be expected only if the estimate is extended over a sufficient number of years. We shall see later that this should be at least ten years in Australia. But since in ten years values may change considerably, the result applies, not to any amount of time, but represents rather—in any community in which wealth is increasing—a decennial average referable to a moment somewhat later than the mean of the period. We may call this the weighted mean, the weighting factor being the wealth.

This, in brief, is the principle: In detail, the matter is not quite so simple. Account must be taken of the passing on of wealth before death, for this, by reducing the wealth appearing in the probate returns, impairs their value as a "fair sample." Moreover, it assumes that the death-rate depends solely upon age. If, however, the condition of life—as regards wealth—is affected, those represented in probate returns are again not a "fair sample" of all persons of the same sex and age. It is then evident that before the method can be regarded as quite satisfactory these features must be examined and corrections applied if necessary.

Part II.—1915 Census of Wealth and Income.

CHAPTER I.—INCOME.

1. **General.**—The two measures of material well-being are wealth and income, and the relation between the two is of obvious importance. In 1915 a census of both was taken in Australia, with the results shown hereinafter. In order to avoid dupli-

cation and omission, the returns were divided as follows:—I., Individual males; II., Individual females; III., Partnerships, (a) male and (b) female; IV., Trustees, (a) male beneficiaries, (b) female beneficiaries; V., Companies; VI., Institutions.

By comparisons and other safeguards, and by exclusion, in certain cases only, on the ground of foreign domicile and other similar grounds, both duplication and omissions were avoided. The results showed the incomes to be as follow:—

I.—Aggregate of Net Incomes, Year ended 30th June, 1915.

Division.	N. S. Wales	Victoria.	Q'land.	S. Aust.	W. Aust.	Tas.	N. Ter.	F. Ter.	C'wealth.
Individuals—									
Males ..	£ 80,605,047	£ 57,638,256	£ 28,413,371	£ 15,993,418	£ 12,928,133	£ 5,971,806	£ 197,290	£ 94,516	£ 201,841,637
Females ..	£ 14,436,399	£ 14,665,893	£ 4,259,694	£ 3,290,096	£ 1,550,206	£ 1,171,084	£ 12,878	£ 8,665	£ 39,394,915
Non-resident									
Partnerships	£ 51,030	£ 79,690	£ 12,352	£ 8	£ 156	£ 3	..	..	£ 143,239
Trust Funds	£ 1,923,204	£ 908,766	£ 136,280	£ 38,552	£ 19,257	£ 15,845	..	..	£ 3,041,904
Companies	£ 4,141,696	£ 5,391,808	£ 1,375,513	£ 785,830	£ 808,807	£ 108,928	..	..	£ 12,612,582
Institutions	£ 224,990	£ 303,544	£ 47,129	£ 21,730	£ 3,668	£ 14,380	£ 486	£ 47	£ 615,974
Total	£ 101,382,366	£ 78,987,957	£ 34,244,339	£ 20,129,634	£ 15,310,237	£ 7,281,846	£ 210,654	£ 103,228	£ 257,650,251
Populations*	£ 1,871,647	£ 1,424,282	£ 691,563	£ 438,236	£ 323,136	£ 197,900	£ 4,746	£ 2,513	£ 4,954,029
Income per head ..	£ 54 3 4	£ 55 9 2	£ 49 10 4	£ 45 18 8	£ 47 7 7	£ 36 15 11	£ 44 7 9	£ 41 1 7	£ 52 0 2

* As at 30th September, 1915, date of returns.

The tabular results in respect of the several particulars in respect of States of domicile of the States must be understood merely as giving par- | earners of the income or owners of the wealth.*

* For example, the income derived from pastoral property situated in Queensland, but owned by a resident of Sydney, will necessarily be tabulated under the head of New South Wales, as the War Census Schedule furnished no indication of the location of the source of income.

The proportion of non-residents to residents relating to residents and non-residents respectively for each State or Territory for any country is socially important. The particulars concerning the number of returns

II.—Number of Wealth-and-Income Returns for Individuals, Year ended 30th June, 1915.

State of Territory.	Returns relating to Residents of Australia.			Returns relating to Non- Residents.			Total Returns.		
	Males.	Females.	Persons.	Males.	Females.	Persons.	Males.	Females.	Persons.
N. S. Wales ..	524,047	268,509	792,556	550	651	1,201	524,597	269,160	793,757
Victoria ..	396,900	302,946	699,846	349	738	1,087	397,249	303,684	700,933
Queensland ..	197,116	102,242	299,358	73	92	165	197,189	102,334	299,523
S. Australia ..	125,978	80,709	206,687	77	158	235	126,055	80,867	206,922
W. Australia ..	84,532	30,623	115,155	115	90	205	84,647	30,713	115,360
Tasmania ..	49,673	26,428	76,101	162	65	227	49,835	26,493	76,328
Nor. Territory ..	1,290	86	1,376	..	..	..	1,290	86	1,376
Fed. Territory ..	672	194	866	..	..	..	672	194	866
Total C'w'ld ..	1,380,208	811,737	2,191,945	1,326	1,794	3,120	1,381,534	813,531	2,195,065

The aggregate net income represented by the returns shown in the preceding table is as follows:—

III.—Aggregate of Australian Net Income for Individuals, Year ended 30th June, 1915.

State or Territory.	Residents of Australia.			Non-residents.			Total Net Income recorded.		
	Males.		Persons.	Males.		Persons.	Males.		Persons.
	£	£	£	£	£	£	£	£	£
N. S. Wales ..	80,408,696	14,129,441	94,538,137	196,351	306,958	503,309	80,605,047	14,436,399	95,041,446
Victoria ..	57,556,847	14,406,704	71,963,551	81,409	259,189	340,598	57,638,256	14,665,893	72,304,149
Queensland ..	28,400,037	4,208,209	32,608,246	13,334	51,485	64,819	28,413,371	4,259,694	32,673,065
S. Australia ..	15,971,363	3,198,793	19,170,156	22,055	91,303	113,358	15,993,418	3,290,096	19,283,514
W. Australia ..	12,908,078	1,536,849	14,444,927	20,055	13,357	33,412	12,928,133	1,550,206	14,478,339
Tasmania ..	5,966,870	1,158,968	7,124,838	5,736	12,116	17,852	5,971,606	1,171,084	7,142,690
Nor. Territory ..	197,290	12,878	210,168	..	..	..	197,290	12,878	210,168
Fed. Territory ..	94,516	8,665	103,181	..	..	..	94,516	8,665	103,181
Total C'with ..	201,502,697	38,660,507	240,163,204	338,940	734,408	1,073,348	201,841,637	39,394,915	241,236,552

The total of £240,163,204 for *residents of* | responding averages for the several States and
Australia represents an average net income | Territories being:—New South Wales, £50
per head of population of £48 9s. 7d., the cor- | 10s. 4d.; Victoria, £50 11s. 2d.; Queensland,

£47 2s. 9d.; South Australia, £44 13s. 2d.; £36 0s. 1d.; Northern Territory, £44 5s. 8d.; Western Australia, £44 14s. 1d.; Tasmania, Federal Territory, £41 1s. 2d.

The average net income per individual return recorded, is as follows:—

IV.—Average Net Income per Individual Return, Year ended 30th June, 1915.

State or Territory.	Average Net Income per Return recorded in respect of Residents of Australia.			Average Net Australian Income recorded in respect of Non-residents.			Average Net Income per Return for all Returns.		
	Males.		Persons.	Males.		Persons.	Males.		Persons.
	Females.			Females.			Females.		
N. S. Wales ..	£153	£53	£119	£357	£472	£419	£154	£54	£120
Victoria ..	145	48	103	233	351	313	145	48	103
Queensland ..	144	41	109	183	560	393	144	42	109
S. Australia ..	127	40	93	286	578	482	127	41	93
W. Australia ..	153	50	125	174	148	163	153	50	126
Tasmania ..	120	44	94	35	186	79	120	44	94
N. Territory ..	153	150	153	..	..	..	153	150	153
F. Territory ..	141	45	119	..	..	..	141	45	119
Aver. C'with ..	146	48	110	256	409	344	146	48	110

2. Frequency according to Size of Net Income.—

The numbers of incomes of residents in Australia, and the proportion per cent. which the number of returns for each net-income group bore to the aggregate are shown in the following table:—

V.—Numbers according to limits of Income of residents in Australia for Year ended 30th June, 1915.

Limits of Net Income.	NUMBER.			PROPORTION PER CENT.		
	Males.	Females.	Persons.	Males.	Females.	Persons.
Deficit and nil ..	66,460	249,476	315,936	4.8152	30.7336	14.4135
Under £50 ..	145,513	301,592	447,105	10.5428	37.1539	20.3976
£50 & under £100	327,835	168,106	495,941	23.7526	20.7094	22.6256
£100 „ £150	448,195	52,929	501,124	32.4730	6.5205	22.8621
£150 „ £156	46,630	3,651	50,281	3.3785	.4498	2.2939
£156 „ £200	157,350	12,697	170,047	11.4005	1.5642	7.7578
£200 „ £300	106,324	11,001	117,325	7.7085	1.3552	5.3526
£300 „ £500	49,108	6,617	55,725	3.5580	.8152	2.5423
£500 „ £750	15,928	2,691	18,619	1.1540	.3315	.8494
£750 „ £1000	6,313	1,145	7,458	.4574	.1411	.3402
£1000 „ £1500	4,933	905	5,838	.3574	.1115	.2663
£1500 „ £2000	2,132	364	2,496	.1545	.0448	.1139
£2000 „ £3000	1,707	317	2,024	.1237	.0390	.0923
£3000 „ £4000	659	102	761	.0477	.0126	.0347
£4000 „ £5000	375	58	433	.0272	.0071	.0198
£5000 and over ..	746	86	832	.0540	.0106	.0380
Total ..	1,380,208	811,737	2,191,945	100.0000	100.0000	100.0000
No returns in case of	1,147,623	1,614,461	2,762,086	83.1486	198.8896	126.0107
Total £156 & over	345,575	35,983	381,558	25.0379	4.4328	17.4073

Thus of the returns received relating to resident males, 25.04 per cent., and somewhat less than 4.43 per cent. of those relating to resident females, were in respect of net-incomes of £156 and upwards. For the sexes combined the percentage was 17.41.

The aggregate net income for each preceding income group, and the proportion per cent. in each case are given in the following table in respect of persons actually or usually resident in Australia:—

**VI.—Aggregate Net Income of Persons resident in Australia,
Year ended 30th June, 1915.**

Limits of Net Income.	AGGREGATE AMOUNT.			PROPORTION PER CENT.		
	Males.	Females.	Persons.	Males.	Females.	Persons.
	£	£	£	%	%	%
Under £50 ..	4,163,492	6,716,909	10,880,401	2.0662	17.3741	4.5304
£50 & under £100	24,308,245	11,416,318	35,724,563	12.0635	29.5297	14.8751
£100 „ £150	55,089,955	6,250,478	61,340,433	27.3396	16.1676	25.5411
£150 „ £156	7,092,731	557,963	7,650,694	3.5199	1.4432	3.1856
£156 „ £200	27,219,438	2,211,307	29,430,745	13.5082	5.7198	12.2545
£200 „ £300	25,190,643	2,641,110	27,831,753	12.5014	6.8315	11.5887
£300 „ £500	18,388,257	2,498,288	20,886,545	9.1256	6.4621	8.6968
£500 „ £750	9,603,396	1,632,945	11,236,341	4.7659	4.2238	4.6786
£750 „ £1000	5,392,909	969,926	6,362,835	2.6763	2.5088	2.6494
£1000 „ £1500	5,993,503	1,089,209	7,082,712	2.9744	2.8174	2.9491
£1500 „ £2000	3,676,422	629,439	4,305,861	1.8245	1.6281	1.7929
£2000 „ £3000	4,149,389	771,511	4,920,900	2.0592	1.9956	2.0490
£3000 „ £4000	2,248,692	360,818	2,609,510	1.1160	.9333	1.0866
£4000 „ £5000	1,685,277	258,390	1,943,667	.8364	.6684	.8093
£5000 and over	7,300,348	655,896	7,956,244	3.6229	1.6966	3.3129
Total ..	201,502,697	38,660,507	240,163,204	100.0000	100.0000	100.0000
Total £156 & over	110,848,274	13,718,839	124,567,113	55.0108	35.4854	51.8678

Net incomes of £156 and upwards aggregated 55.01 per cent. of the total in the case of males, about 35.49 per cent. in the case of females, and 51.87 per cent. for the sexes combined. These results, taken in conjunction with those relating to the number of returns, show that in the case of male residents 25.04 per cent. of the returns accounted for 55.01 per cent. of the net income, that in the case of female residents 4.43 per cent. of the returns accounted for 35.49 per cent. of the net income, and that, for the sexes together, 17.41 per cent. of the returns accounted for 51.87 per cent. of the net income.

Of the returns received relating to non-resident males about 30.77 per cent. represent net incomes of £156 and upwards. The corresponding percentages in the case of females are 46.21 per cent. and for the sexes combined 39.65 per cent. These percentages, viz., 30.77, 46.21, and 39.65, account for

88.60, 92.45, and 91.24 per cent. respectively of the total net income of the same class (male, female, or person).

3. Average Net Income per Return.—In estimates of wealth it has not infrequently been assumed that the mean of the limits may be applied to the total number between them. The error and uncertainty of such an assumption are shown in the table hereunder. By adding together all the net-incomes shown on the returns for each group and by dividing by their number the average net incomes per return are obtained. These are:—

VII.—Incomes—Average Net Income per Return, Year ended 30th June, 1915.

Limits of Net Income.	AVERAGE PER RETURN FOR AUSTRALIAN RESIDENTS.			AVERAGE AUSTRALIAN INCOME PER RETURN FOR NON-RESIDENTS.		
	Males.	Females.	Persons.	Males.	Females.	Persons.
Under £50 ..	£29	£22	£24	£22	£25	£24
£50 & under £100	68	68	72	72	72	72
£100 „ £150	123	118	122	119	120	120
£150 „ £156	152	153	152	152	151	152
£156 „ £200	173	174	173	175	178	177
£200 „ £300	237	240	237	248	245	246
£300 „ £500	374	378	375	382	395	391
£500 „ £750	603	607	603	607	615	612
£750 „ £1000	854	847	853	871	870	870
£1000 „ £1500	1,215	1,204	1,213	1,235	1,262	1,254
£1500 „ £2000	1,724	1,729	1,725	1,723	1,722	1,722
£2000 „ £3000	2,431	2,434	2,431	2,495	2,293	2,366
£3000 „ £4000	3,412	3,537	3,429	3,472	3,499	3,488
£4000 „ £5000	4,494	4,455	4,489	4,726	4,697	4,715
£5000 and over	9,786	7,627	9,563	8,712	9,982	9,683
Average Income—All returns ..	146	48	110	256	409	344
£156 and over	321	381	326	736	819	792

It will be seen that in the majority of, but not in all, cases, the average income for a group fell well below the arithmetical mean of the limiting values of the group.*

* Amongst the particulars relative to residents there were two cases in which the computed average exceeded such arithmetical means, viz., for males “under £50,” and for

females "£3000 and under £4000," while there was one case, viz., females, "£150 and under £156," in which the computed average coincided with the arithmetical mean of the limits. Amongst non-residents the computed average exceeded the arithmetical mean of the group limits in the cases of females and of persons "£1000 and under £1500," and in the cases of males, of females, and of persons, "£4000 and under £5000," while there was equality in the cases of females "under £50," and of females "£156 and under £200."

CHAPTER II.—NET ASSETS.

1. **Assets according to States.**—The following table furnishes a distribution of the private wealth of Australia according to the States of domicile of the owners:—

VIII.—Aggregate of Net Assets recorded as at 30th June, 1915.

Division.	N. S. Wales	Victoria.	Q'land.	S. Aust.	W. Aust.	Tasmania.	N. Ter.	F. Ter.	C'wealth.
Individuals—									
Males ..	£ 364,446,799	£ 290,118,896	£ 103,483,745	£ 93,992,280	£ 42,409,316	£ 26,499,458	£ 763,892	£ 271,047	£ 921,985,433
Females ..	108,931,209	113,525,130	30,200,223	29,185,188	10,630,291	9,625,174	71,833	71,513	302,240,561
Non-resident									
Partnerships ..	592,034	678,174	9,429	57	2,000	1,310	..	..	1,283,004
Trust Funds ..	114,245,620	89,586,342	10,436,039	22,718,653	4,249,405	6,899,258	2,050	..	248,137,367
Companies ..	48,052,445	62,805,920	17,822,371	5,804,360	9,247,547	900,843	2,379	..	144,635,865
Institutions ..	9,430,961	8,622,998	1,851,628	2,922,591	1,330,521	1,019,448	2,580	419	25,181,146
Total ..	645,699,068	565,337,460	163,803,435	154,623,129	67,869,080	44,945,491	842,734	342,979	1,643,463,376

These net assets are exclusive of the property of Federal, State or Local Governments, and may consequently be considered as representing the *total private wealth of Australia* as at 30th June, 1915. The total of £1,643,463,376 includes the Australian property of non-resident individuals, partnerships and companies. The amount, however, so held by non-resi-

dents cannot be determined with any degree of accuracy. On the basis of the War Census returns it is roughly estimated that it lies between £150,000,000 and £200,000,000. It would thus appear that the aggregate private wealth of Australian residents as at 30th June, 1915, was approximately £1,470,000,000, or nearly £300 per head of population.

preceding table amount to £1,224,225,994, of which £924,985,433 was recorded in respect of males, and £302,240,561 in respect of females. Particulars concerning the number of returns of residents and of non-residents of each sex allocated to each State or Territory are shown in Table II. of Chap. I., the figures in this case being, of course, the same for incomes as for assets.

The aggregate net assets represented by such returns are shown in the following table:

2. **Net Assets of Individuals.**—The aggregate net assets of individuals shown in the

IX.—Aggregate Net Assets of Individuals as at 30th June, 1915.

State or Territory.	Aggregate Net Assets recorded in respect of Residents of Australia.				Aggregate Net Australian Assets recorded in Respect of Non-Residents.				Total Net Assets recorded.						
	Males.		Females.		Persons.	Males.		Females.		Persons.	Males.		Females.		Persons.
	£	£	£	£		£	£	£	£		£	£			
N. S. Wales	362,193,858	106,750,464	468,944,322	2,252,941	2,180,745	4,433,686	364,446,799	108,931,209	473,378,008						
Victoria ..	289,313,023	112,166,443	401,479,466	805,873	1,358,687	2,164,560	290,118,896	113,525,130	403,644,026						
Queensland	103,382,820	30,139,736	133,522,556	100,925	60,487	161,412	103,483,745	30,200,223	133,683,968						
S. Australia	93,677,702	29,018,284	122,695,986	314,578	166,904	481,482	93,992,280	29,185,188	123,177,468						
W. Australia	42,132,404	10,464,596	52,597,000	276,912	165,695	442,607	42,409,316	10,630,291	53,039,607						
Tasmania ..	26,355,451	9,458,596	35,814,047	144,007	166,578	310,585	26,499,458	9,625,174	36,124,632						
Nor. Territory	763,892	71,833	835,725	..	..	..	763,892	71,833	835,725						
Fed. Territory	271,047	71,513	342,560	..	..	..	271,047	71,513	342,560						
Total, C'with	18,090,197	298,141,465	1216,231,662	3,895,236	4,099,096	7,994,332	921,985,433	302,240,561	1,224,225,994						

The total of £1,216,231,662 for residents of Australia represents an average net asset of £246 per head of population. The corresponding averages per head of population for the several States and Territories are as follows:—New South Wales; £251; Victoria, £282; Queensland, £193; South Australia, £279; Western Australia, £163; Tasmania, £181; Northern Territory, £176; and Federal Territory, £136. It should be noted that owing to the exclusion from the individual returns of interests in trust funds the figures given

are somewhat under the true net assets per head of population. The inclusion of such funds with an allowance for those, the title to which is held outside the Commonwealth, would have the effect of increasing the average per head by from 15 to 20 per cent, and for the Commonwealth as a whole would probably give a result in the neighbourhood of £293. The average net assets per individual return recorded in respect of each State and Territory are shown in the following table:—

X.—Average Net Assets per Individual Return as at 30th June, 1915.

State or Territory.	Average Net Assets per Return, Residents of Australia.			Average Net Australian Assets per Return Non-Residents.			Average Net Assets per Return for all Returns.		
	Males.	Females.	Persons.	Males.	Females.	Persons.	Males.	Females.	Persons.
N. S. Wales	691	398	592	4,096	3,350	3,692	695	405	596
Victoria	729	370	574	2,309	1,841	1,991	730	374	576
Queensland	524	295	446	1,383	657	978	525	295	446
S. Australia	745	360	594	4,085	1,056	2,049	746	361	595
W. Australia	498	342	457	2,408	1,841	2,159	501	346	460
Tasmania ..	531	348	471	889	2,563	1,368	532	363	473
N. Territory	592	335	607	..	..	..	592	335	607
F. Territory	403	369	396	..	..	..	403	369	396
Aver. C'with	665	367	555	2,938	2,285	2,562	667	372	558

3. Numbers of Net Assets between Various Limits.

—The assets are classified under 16 net assets groups, of which one comprises those cases in which the return showed that the net assets were nil, or that there was an excess of liabilities over assets. In the following table the net assets between indicated periods are given for each sex and for the sexes combined, the number of cases recorded being for those actually or usually resident in the Commonwealth in each of the groups. The proportion per cent. of the total is also represented by each such group.

XI.—Numbers according to limits of Assets * of Australian Residents, Year ended 30th June, 1915.

Limits of Net Assets.	Number of Returns.			Proportion per cent.		
	Males.	Females.	Total.	Males.	Females.	Total.
Debt and nil	249,693	110,036	359,729	18.0910	13.5556	16.4114
Under £100	533,315	392,146	925,461	138.6402	48.3095	42.2210
£100 & under £250	198,668	115,846	314,514	14.3941	14.2714	14.3486
£250 .. £500	135,689	76,772	212,461	9.8311	9.4577	9.6928
£500 .. £750	66,101	35,895	101,996	4.7892	4.4220	4.6532
£750 .. £1,000	39,746	19,905	59,651	2.8797	2.4522	2.7214
£1,000 .. £2,500	88,779	40,336	129,115	6.4323	4.9691	5.8904
£2,500 .. £5,000	37,593	12,885	50,478	2.7237	1.5873	2.3029
£5,000 .. £10,000	18,176	5,183	23,359	1.3169	.6385	1.0657
£10,000 .. £15,000	5,313	1,362	6,675	.3849	.1678	.3045
£15,000 .. £20,000	2,366	530	2,896	.1714	.0653	.1321
£20,000 .. £25,000	1,283	279	1,562	.0930	.0344	.0713
£25,000 .. £50,000	2,179	406	2,585	.1579	.0500	.1179
£50,000 .. £75,000	641	81	722	.0464	.0100	.0329
£75,000 .. £100,000	249	26	275	.0180	.0032	.0126
£100,000 & upwards ..	417	49	466	.0302	.0060	.0213
Total	1,380,208	811,737	2,191,945	100.0000	100.0000	100.0000
No returns in case of ..	1,147,623	1,614,461	2,762,086	83.1486	198.8896	126.0107
Total £500 and upwards	262,843	116,937	379,780	19.0436	14.4058	17.3262

* Exclusive of the value of (i.) interests in trust estates, (ii.) assurance and annuity policies, (iii.) prospective benefits from Friendly Societies and Trade Unions. These three items are included in bulk under "trust funds."

Of the returns received from resident males 19.04 per cent. related to net assets of £500 and upwards, and of those relative to resident females 14.41 were in respect of net assets of £500 and upwards. For the sexes combined net assets of £500 and upwards were represented by somewhat less than 17.33 per cent. of the returns.

The aggregate net assets represented by the returns shown in the preceding table amounted to £1,216,231,662, of which £918,090,197 was recorded in respect of males, and £298,141,465 in respect of females. The average net assets per return for resident males was thus £665, as compared with an average of £367 per return for resident females, and an average for returns of residents of both sexes of £555. The aggregate net assets for each group and the proportion per cent. in each case are given in the following table in respect of persons actually or usually resident in Australia:—

XII.—Assets* of Australian Residents, Year ended 30th June, 1915.

Net Assets.	Aggregate Amount.			Proportion per cent.		
	Males.	Females.	Total.	Males.	Females.	Total.
Under £100	£ 17,119,415	£ 10,975,234	£ 28,094,649	% 1.8647	% 3.6812	% 2.3100
£100 & under £250 ..	31,914,274	18,394,332	50,308,606	3.4761	6.1697	4.1364
£250	48,160,783	27,018,916	75,179,699	5.2458	9.0625	6.1814
£500	40,282,127	21,696,178	61,978,305	4.3876	7.2771	5.0959
£750	34,331,262	17,164,250	51,495,512	3.7394	5.7571	4.2340
£1,000	139,001,283	61,609,345	200,610,608	15.1403	20.6845	16.4944
£2,500	130,573,375	44,097,969	174,671,344	14.2223	14.7910	14.3617
£5,000	125,229,936	35,341,151	160,571,087	13.6403	11.8538	13.2023
£10,000	64,180,648	16,431,170	80,611,818	6.9907	5.5112	6.6280
£15,000	40,752,518	9,191,428	49,943,946	4.4388	3.0829	4.1065
£20,000	28,770,393	6,226,123	34,996,516	3.1337	2.0883	2.8775
£25,000	74,371,012	13,771,239	88,142,251	8.1006	4.6190	7.2472
£50,000	38,955,747	4,926,254	43,882,001	4.2431	1.6523	3.6080
£75,000	21,379,702	2,240,902	23,620,604	2.3287	.7516	1.9421
£100,000 and upwards ..	83,067,742	9,056,974	92,124,716	9.0479	3.0378	7.5746
Total	918,090,197	298,141,465	1,216,231,662	100.0000	100.0000	100.0000
Total £500 and upwards	820,895,725	241,752,983	1,062,648,708	89.4134	81.0866	87.3722

* Exclusive of the value of (i.) interests in trust estates, (ii.) assurance and annuity policies, (iii.) prospective benefits from Friendly Societies and Trade Unions. These three items are included in bulk under "trust funds."

Thus net assets of £500 and upwards aggregated 89.41 per cent. in the case of male residents and 81.09 per cent. in the case of female residents, and somewhat less than 87½ per cent. in the case of residents of both sexes. From these figures, taken in conjunction with those relating to the number of returns, it is seen that in the case of male residents 19.04 per cent. of the returns accounted for 89.41 per cent. of the net assets; that in the case of female residents 14.41 per cent. of the returns accounted for 81.09 per cent. of the net assets, and that for the sexes combined somewhat less than 17.33 per cent. of the returns accounted for 87.37 per cent. of the net assets.

The numbers of non-residents and the proportions of returns under each of the net-asset groups are as follow:—

XIII.—Number of Non-residents in Australia, whose net Assets are between various Limits.

Net Assets at 30th June, 1915	Number of Returns.			Proportion per cent.		
	Males.	Females.	Total.	Males.	Females.	Total.
				%	%	%
Debt and nil ..	437	1,110	1,547	32.96	61.87	49.58
Under £100 ..	185	65	250	13.95	3.62	8.01
£100 & under £250	121	63	184	9.12	3.51	5.90
£250 „ £500	133	62	195	10.03	3.46	6.25
£500 „ £750	89	45	134	6.71	2.51	4.29
£750 „ £1,000	68	27	95	5.13	1.51	3.04
£1,000 „ £2,500	92	121	213	6.94	6.74	6.83
£2,500 „ £5,000	66	108	174	4.98	6.02	5.58
£5,000 „ £10,000	54	106	160	4.07	5.91	5.13
£10,000 „ £15,000	24	33	57	1.81	1.84	1.83
£15,000 „ £20,000	13	16	29	.98	.89	.93
£20,000 „ £25,000	9	12	21	.68	.67	.67
£25,000 „ £50,000	17	16	33	1.28	.89	1.06
£50,000 „ £75,000	7	6	13	.53	.33	.42
£75,000 „ £100,000	3	1	4	.23	.06	.13
£100,000 and upwards	8	3	11	.60	.17	.35
Total	1,328	1,794	3,120	100.00	100.00	100.00
Total £500 and upwards	450	494	944	33.94	27.54	30.26

Of the returns received relative to non-resident males about 34.94 per cent. related to net assets of £500 and upwards. The corresponding proportion in the case of females was about 27.54 per cent., and for the sexes combined 30.26 per cent.

The aggregate net assets represented by the returns specified above were £7,994,332, of which £3,895,236 was accounted for on returns relating to males, and £4,099,096 on those relating to females. The average amount of net assets per return for non-resident males was thus £2938, as compared with £2285 per return in the case of females, and £2562 per return for the sexes combined.

The aggregate net assets in each group for each sex and the proportionate distribution over the several groups are shown in the following table:—

XIV.—Persons Non-resident in Australia—Aggregate Net Assets between various limits, Year ended 30th June, 1915.

Net Assets.	Aggregate Amount.			Proportion per cent.		
	Males.	Females.	Total.	Males.	Females.	Total.
	£	£	£	%	%	%
Under £100	5,761	2,901	8,662	.1479	.0708	.1084
£100 & under £250	19,752	10,390	30,142	.5071	.2535	.3770
£250 " £500	47,436	22,745	70,181	1.2178	.5549	.8779
£500 " £750	54,661	28,043	82,704	1.4033	.6841	1.0345
£750 " £1,000	58,068	22,865	80,933	1.4907	.5578	1.0124
£1,000 " £2,500	148,771	188,949	337,720	3.8193	4.6095	4.2245
£2,500 " £5,000	232,935	376,151	609,086	5.9800	9.1764	7.6190
£5,000 " £10,000	376,033	752,509	1,128,542	9.6537	18.3579	14.1168
£10,000 " £15,000	300,429	387,114	687,543	7.7127	9.4439	8.6004
£15,000 " £20,000	226,704	273,442	500,126	5.8200	6.6703	6.2560
£20,000 " £25,000	192,566	268,248	460,814	4.9436	6.5441	5.7642
£25,000 " £50,000	591,900	557,215	1,149,115	15.1955	13.5936	14.3741
£50,000 " £75,000	398,930	373,828	772,758	10.2415	9.1198	9.6663
£75,000 " £100,000	252,648	75,221	327,869	6.4861	1.8351	4.1013
£100,000 and upwards	988,642	759,495	1,748,137	25.3808	18.5283	21.8672
Total ..	3,895,236	4,099,096	7,994,332	100.0000	100.0000	100.0000
Total £500 and upwards	3,822,287	4,063,060	7,885,347	98.1272	99.1208	98.6367

The average net assets in each group are found by totalling the net amounts on the several returns and dividing by the number of returns. They are as follow:—

**XV.—Average Net Assets per Return—Australia,
30th June, 1915.**

Net Assets	Australian Residents.			Non-residents.		
	Males.	Females.	Total.	Males.	Females.	Total.
	£	£	£	£	£	£
Under £100	32	28	30	31	45	35
£100 & under £250 ..	161	159	160	163	165	164
£250 „ £500 ..	355	352	354	357	367	360
£500 „ £750 ..	609	604	608	614	623	617
£750 „ £1,000 ..	864	862	863	854	847	852
£1,000 „ £2,500 ..	1,566	1,527	1,554	1,617	1,562	1,586
£2,500 „ £5,000 ..	3,473	3,422	3,460	3,529	3,483	3,500
£5,000 „ £10,000 ..	6,890	6,819	6,874	6,964	7,099	7,053
£10,000 „ £15,000 ..	12,080	12,064	12,077	12,518	11,731	12,062
£15,000 „ £20,000 ..	17,224	17,342	17,246	17,439	17,089	17,246
£20,000 „ £25,000 ..	22,424	22,316	22,405	21,396	22,354	21,944
£25,000 „ £50,000 ..	34,131	33,919	34,098	34,818	34,826	34,822
£50,000 „ £75,000 ..	60,773	60,818	60,778	56,990	62,305	59,443
£75,000 „ £100,000 ..	85,862	86,189	85,893	84,216	75,221	81,967
£100,000 and upwards ..	199,203	184,836	197,693	123,580	253,165	158,922
Average Assets—All Returns	665	367	555	2,938	2,285	2,562
£500 and upwards	3,123	2,067	2,798	8,494	8,225	8,353

4. Debt, or Negative Wealth.—A complete census of wealth would include “net assets,” not only when they are *positive*, but also when they are *negative*, that is when the “net return” shows the individual to be “in debt.” Suppose, for example, A owes B £3000, and is possessed of wealth to the value of £2000. If B regarded the debt a perfectly good one, he would show himself as possessed, in addition to his other items of wealth, of £3000. But A would show that he is “in debt,” on the whole, £1000. Restricted to these facts the proper return of aggregate wealth would obviously be £3000—£1000=

£2000, that is, the value of the negative wealth should be subtracted from the value of positive wealth. Thus any mortgagee credits himself only with the money lent on the mortgage, while the mortgagor virtually credits himself only with the value of the "equity of redemption." It is clear from this that where the net results of the assets of any group or groups of persons are negative, they should strictly be deducted from the net results of the group or groups of persons whose assets are positive.

In order to ascertain the effect of omitting debts shown on the returns indicating negative assets, a special tabulation of 5703 cards, showing debt, was made from a parcel of 51,514 which had been classed as "Nil and debt." These were taken from a total of 244,772 returns (including the 51,514), giving the total net assets £122,489,039, when no allowance is made for the "debt" items contained in the "nil and debt" groups. The aggregate amount of debt so tabulated was £289,785, or, say, 2½ per thousand of the total covered by the class of cards from which the parcel was taken. The results showed that it was not necessary to make any allowance in the aggregate for such results, more particularly as the evidence furnished by a close examination of many of the "nil" cards indicated that probably small net assets would be disclosed.

For the purpose of ascertaining the law of frequency in the returns of "debts," and also of small net assets, and for the further purpose of furnishing a suitable basis for the estimation and analysis of material lying below the range of the data in probate returns, the following tabulations were made:—

XVI.—Frequency of the Possession of small amounts of Wealth, based upon 25,932 Cases in Victoria, Australia, in a total Population of about 77,350.*

DEBTS.				Range of Debts or Assets.	ASSETS.			
OBSERVED NUMBERS.			Average Value per Person.†		Average Value per Person†	OBSERVED NUMBERS.		
Males.	Females.	Persons.				Males.	Females.	Persons.
			£	£	£			
267	123	390	3.74	0-10	3.74	3,635	3,658	7,293
109	16	125	14.10	10-20	14.10	908	1,120	2,028
57	10	67	24.85	20-30	24.85	782	790	1,572
28	3	31	34.86	30-40	34.86	549	481	1,030
20	5	25	44.89	40-50	44.89	448	407	855
15	2	17	54.89	50-60	54.89	467	385	852
13	1	14	64.89	60-70	64.89	297	241	538
7	1	8	74.89	70-80	74.89	295	214	509
4	1	5	84.89	80-90	84.89	237	200	437
5	0	5	94.90	90-100	94.90	197	155	352
525	162	687	23.25	Totals	23.25	7,815	7,651	15,466
40	4	44	?	100-250	156.38	2,012	1,669	3,681
10	2	12	?	250-500	350.50	1,292	1,016	2,308
6	1	7	?	Over-500	2217.8	2,269	1,458	3,727
581	169	750	?	AllAssets	405.77	13,388	11,794	25,182

* Viz., males, 37,420; females, 39,930. † Calculated from frequency curve.

Range of Assets	AVERAGE VALUE IN RANGE PER INDIVIDUAL.			Ratio of Number of Males to Persons.	OBSERVED NUMBERS.		
	Males.	Females.	Persons.		Males.	Females.	Persons.
£	£	£	£				
0- 100 ..	24.17	21.78	23.25	0.5053	7,815	7,651	15,466
100- 250 ..	157.07	155.55	156.38	0.5466	2,012	1,669	3,681
250- 500 ..	356.56	349.60	353.50	0.5598	1,292	1,016	2,308
500- 750 ..	607.99	595.82	602.34	0.5356	586	508	1,094
750- 1000 ..	864.24	862.18	863.39	0.5895	372	259	631
1000- 2500 ..	1568.4	1507.7	1543.6	0.5910	734	508	1,242
2500- 5000 ..	3536.8	3349.9	3482.5	0.7095	320	131	451
5000-10000 ..	7149.9	6707.1	7059.4	0.7955	175	45	220
Over 10000 ..	25744.3	15910.9	24970.9	0.9123	82	7	89
Totals	544.57	248.21	405.77	0.5316	13,388	11,794	25,182

**XVII.—Aggregate Assets of Persons Possessing Wealth,
between various ranges thereof.**

DEBTS.				Range of Debts or Assets	ASSETS.			
Males.	Females.	Persons.	Pro- portion of Total for Males.		Pro- portion of Total held by Males.	Males.	Females.	Persons.
£	£	£		£ £		£	£	£
999	460	1,459	.685	0- 10	0.4984	13,595	13,681	27,276
1,537	226	1,763	.872	10- 20	0.4477	12,803	15,792	28,595
1,416	249	1,665	.851	20- 30	0.4974	19,433	19,632	39,065
976	105	1,081	.903	30- 40	0.5330	19,138	16,768	35,906
898	224	1,122	.800	40- 50	0.5240	20,111	18,270	38,381
823	110	933	.882	50- 60	0.5481	25,634	21,133	46,767
843	65	908	.928	60- 70	0.5520	19,272	15,638	34,910
524	75	599	.875	70- 80	0.5796	22,093	16,026	38,119
340	85	425	.800	80- 90	0.5423	20,119	16,978	37,097
474	..	474	1.000	90-100	0.5596	18,695	14,710	33,405
8,830	1,599	10,429	.847	Totals	0.5310	190,893	168,628	359,521
?	?	?		100-250	0.5490	316,029	259,618	575,647
?	?	?		250-500	0.5646	460,676	355,192	815,868
?	?	?		Over 500	0.7468	6,323,056	2,143,927	8,466,983
581*	169*	750*	0.775†	All Assets	0.7135	7,290,654	2,927,365	10,218,019
				£ £		£	£	£
				0- 100	0.5310	190,893	168,628	359,521
				100- 250	0.5490	316,029	259,618	575,647
				250- 500	0.5646	460,676	355,192	815,868
				500- 750	0.5407	356,280	302,677	658,957
				750- 1000	0.5901	321,497	223,305	544,802
				1000- 2500	0.6005	1,151,223	765,907	1,917,130
				2500- 5000	0.7206	1,131,781	438,844	1,570,625
				5000-10000	0.8057	1,251,240	301,818	1,553,058
				Over 10,000	0.9499	2,111,035	111,376	2,222,411
				All Assets	0.7135	7,290,654	2,927,365	10,218,091

* Numbers only. † Ratio of numbers only; amounts not known

5. Wealth not represented by Material Values.—
Returns of wealth are subject to certain important limitations. Book debts, for example, may be under

or over estimated. Consols, inscribed stock, debentures, and bank-notes are not *intrinsically* wealth, but depend upon the amount and security of the aggregate wealth of the community issuing them.

Suppose, for example, that a national loan of £500,000,000 were held wholly by the citizens of any nation, the private wealth would include this amount—or its market equivalent, while a statement of the *national wealth*—that is, of the people in their corporate as well as in their individual capacity—the two being combined—would contain a debit item of approximately the same amount. It is quite usual for estimates of “national wealth” to represent merely the aggregates of private wealth, plus the value of works nationally owned; such estimates therefore may be very misleading, for the reason above indicated. They must not be regarded as indicating the real wealth of the nation.

6. Particular Classes of Assets.—For certain obvious purposes, it is important to know how much any community holds as—(a) Cash in hand, as (b) Shares and debentures in companies, (c) and what Land-values it possesses.

Various estimates made in the past of the amount of coin in circulation in Australia differ considerably. The average amount held by banks is published periodically, but the amount in the hands of the public was not known with any degree of accuracy.

In 1892 a Sydney bank manager estimated the amount of coin in private hands in New South Wales at £725,000, or 12s. 5d. per head. At the same date the amount of bank notes in circulation in New South Wales was approximately £1,500,000, making on the basis of the coin estimate quoted a total circulation in the hands of the public of £2,225,000, or £1 18s. 1d. per head of population.

In 1906 the Deputy Master of the Perth branch of the Royal Mint conducted an inquiry concerning the amount of coin in circulation in the hands of the

public in Australia, and as a result gave an estimate of £4,200,000, or £1 0s. 8d. per head. According to this estimate the gold coin in circulation amounted to £3,000,000, while the silver and copper coin amounted to £1,200,000. At the same date the amount of bank notes and of Queensland Treasury notes in the hands of the public was approximately £3,900,000. This would give a total circulation for Australia of £8,100,000, or £1 19s. 11d. per head of population, of which silver and copper coin represented 5s. 11d. per head.

The Commonwealth Treasury estimated that on the 28th June, 1915, the amount of Australian notes in the hands of the public was £8,626,508, or £1 14s. 10d. per head of population. If it be assumed that at that date there was no gold in circulation, and that the silver and copper coin in the hands of the public was on the same basis as in the 1906 Mint estimate, the amount of circulation in the hands of the public works out at £2 0s. 9d. per head of population, as compared with an estimate for Australia of £1 19s. 11d. in 1906, and an estimate for New South Wales of £1 18s. 1d. in 1892.

These estimates do not accord, however, with the figures for "Cash in hand" furnished by the Wealth Census, which gave the following results:—

XVIII.—Aggregate of "Cash in Hand" as at 30th June, 1915, shown by War Census.

States and Territories.	Aggregate Amount.	Per head of Total Population.			Per Return furnished.		
	£	£	s.	d.	£	s.	d.
New South Wales ..	1,794,270	0	19	2	2	4	2
Victoria	1,889,027	1	6	6	2	11	10
Queensland	934,717	1	7	1	3	0	4
South Australia ..	626,316	1	8	7	2	18	5
Western Australia ..	457,646	1	8	5	3	17	9
Tasmania	244,354	1	4	8	3	2	1
Northern Territory ..	9,985	2	4	11	7	2	10
Federal Territory ..	2,828	1	1	11	3	4	10
Commonwealth ..	5,959,143	1	4	1	2	12	8

Since there were no returns in the case of 2,762,086 persons, the amount £1 4s. 1d. per head of population is an under-statement of the amount. At the same time, however, since the unrecorded persons would have to possess an average of £1 9s. 8d. each in order to give an average of £2 0s. 9d., this is certainly an over-estimate. Seeing that about 1,600,000 of these were children under 15, who would probably possess an average of less than two shillings each, this is an improbably large amount.

7. Shares and Debentures In Companies.—The value of shares and debentures in companies as at 30th June, 1915, was as follows:—

XIX.—Values of "Shares and Debentures In Companies" as at 30th June, 1915, recorded on War Census "Wealth and Income" Cards.

States and Territories.	Aggregate Value	Per Head of Total Population.		
	£	£	s.	d.
New South Wales	78,014,876	41	14	11
Victoria	54,510,331	38	4	4
Queensland	17,419,924	25	5	2
South Australia	18,164,163	41	9	0
Western Australia	3,212,700	9	19	3
Tasmania	4,573,790	23	1	0
Northern Territory	31,669	7	2	5
Federal Territory	8,420	3	5	1
Commonwealth	175,935,873	35	10	8

The net assets of the various companies, without making any allowance for liabilities to shareholders and debenture holders, was £286,248,290; hence on the assumption that these "Shares and debentures in companies" held in the Commonwealth were all in connection with companies registered in Australia, it would appear that the amount so held represented about 61½ per cent. of the total value of the shares and debentures of such companies, the balance being presumably held by absentees.

The net assets in Australia of companies registered elsewhere aggregated £34,323,448.

8. Land Values.—The total number of owners of freehold land recorded at the War Census was 718,569, of whom 683,849 were individuals and 34,720 represented partnerships, trust estates, companies and institutions. Of the individual owners, 460,646 were males, and 223,203 were females. The male owners represented 18.2 per cent. of the male population, while the female owners represented 9.2 per cent. of the female population. The total improved value recorded was £983,880,323, averaging £1369 per owner. The corresponding unimproved value recorded was £455,876,104, or 46½ per cent. of the improved value, and the average unimproved value per owner was £634.

The distribution according to unimproved values of the freehold estates held by residents of the several States and Territories is as follows:—

XX.—Number and Unimproved Value of Freehold Estates as at 30th June, 1915.

Value.	N. S. Wales	Victoria.	Q'land.	S. Aust.	W. Aust.	Tasmania.	Nth. Ter.	Fed. Ter.	C'wealth.
Number of Estates									
Less than £100 ..	91,619	77,516	45,923	27,896	22,810	9,743	62	46	275,615
£100-£199 ..	47,661	47,029	20,242	12,932	8,753	5,276	35	28	141,956
£200-£299 ..	23,637	23,681	9,907	6,973	4,110	2,909	17	14	71,248
£300-£399 ..	13,908	14,037	6,266	3,931	2,451	1,837	9	11	42,450
£400-£499 ..	9,316	9,575	4,297	2,719	1,748	1,206	8	4	28,873
£500-£599 ..	6,837	6,811	2,996	2,033	1,513	900	4	5	21,099
£600-£699 ..	5,582	5,677	2,452	1,609	928	665	3	2	16,918
£700-£799 ..	4,242	4,327	1,687	1,186	717	556	3	3	12,721
£800-£899 ..	3,650	3,632	1,352	1,086	578	432	3	3	10,736
£900-£999 ..	2,884	2,230	999	808	373	302	1	2	8,599
£1,000-£2,999 ..	21,943	23,687	6,035	7,169	2,521	2,184	6	15	63,560
£3,000-£4,999 ..	4,118	5,149	883	1,714	369	378	..	1	12,612
£5,000 and over ..	4,994	4,253	900	1,154	447	431	..	3	12,182
Total ..	240,391	228,604	103,939	71,210	47,318	26,819	151	137	718,569

Unimproved Values	£	£	£	£	£	£	£	£	£
Less than £100 ..	4,337,316	3,546,048	2,092,179	1,234,897	1,012,271	421,562	2,651	1,775	12,648,699
£100-£199 ..	6,324,675	6,322,866	2,667,520	1,701,135	1,137,514	693,045	4,301	3,674	18,854,730
£200-£299 ..	5,508,808	5,532,790	2,288,420	1,611,068	952,821	666,960	3,996	3,243	16,568,106
£300-£399 ..	4,627,007	4,695,661	2,071,789	1,299,756	816,174	602,427	2,845	3,780	14,119,439
£400-£499 ..	4,034,588	4,178,279	1,848,656	1,172,445	756,239	513,695	3,390	1,740	12,509,032
£500-£599 ..	3,618,568	3,644,132	1,577,771	1,074,515	793,509	468,278	2,075	2,540	11,181,388
£600-£699 ..	3,531,422	3,607,092	1,541,066	1,014,037	585,718	418,172	1,850	1,240	10,700,597
£700-£799 ..	3,123,471	3,188,301	1,231,854	870,207	528,526	404,917	2,200	2,235	9,351,711
£800-£899 ..	3,025,231	3,025,587	1,117,134	904,209	480,839	358,081	2,450	2,453	8,915,984
£900-£999 ..	2,691,221	3,036,913	931,322	755,583	348,912	280,858	900	1,885	8,047,594
£1,000-£2,999 ..	36,358,098	39,991,285	9,409,161	12,401,708	3,930,839	3,565,942	8,240	21,090	105,686,363
£3,000-£4,999 ..	15,539,033	19,576,524	3,322,677	6,408,339	1,372,988	1,400,251	..	3,819	47,623,631
£5,000 and over	79,626,026	61,811,358	12,048,732	14,660,208	6,272,030	5,227,926	..	22,550	179,668,830
Total ..	172,345,464	162,156,836	42,148,281	45,108,107	18,988,380	15,022,114	34,898	72,024	455,876,104

Note.—The allocation to States and Territories in this return relates merely to the *domicile* of the owner or the owner's representative. Particulars relative to the situation of the property itself are not available.

The succeeding table gives, for the Com- | number and unimproved values of freehold
monwealth as a whole, a distribution of the | estates according to grade of ownership:—

XXI.—Number and Unimproved Value of Freehold Estates, 30th June, 1915.

Value.	Males.	Females.	Partnerships.	Trust Estates	Companies.	Institutions.	Total.
Number of Estates							
Less than £100	172,795	96,999	611	2,507	303	2,400	275,615
£100-£199	88,057	50,022	566	2,163	234	914	141,956
£200-£299	44,656	23,919	421	1,554	162	536	71,248
£300-£399	27,024	13,325	373	1,284	105	339	42,450
£400-£499	18,772	8,506	292	983	105	215	28,873
£500-£599	14,104	5,575	311	823	101	185	21,099
£600-£699	11,508	4,235	244	731	73	127	16,918
£700-£799	8,701	3,024	218	617	61	100	12,721
£800-£899	7,333	2,536	184	514	65	104	10,736
£900-£999	5,987	1,872	173	439	55	73	8,599
£1,000-£2,999	45,502	10,671	1,813	4,272	698	604	63,560
£3,000-£4,999	9,021	1,456	636	1,102	260	137	12,612
£5,000 and over	7,186	1,063	926	1,867	889	251	12,182
Total	480,646	223,203	6,768	18,856	3,111	5,985	718,569

Value of Estates	£	£	£	£	£	£	£
Less than £100	7,961,410	4,445,852	31,274	121,824	12,446	75,893	12,648,699
£100-£199	11,714,478	6,616,734	78,031	297,548	31,520	116,419	18,854,790
£200-£299	10,373,802	5,561,847	98,233	371,638	38,560	124,026	16,568,106
£300-£399	8,997,433	4,419,131	123,637	432,837	34,687	111,714	14,119,439
£400-£499	8,139,935	3,673,337	128,069	430,040	45,631	92,020	12,509,032
£500-£599	7,473,570	2,952,061	104,674	441,344	53,684	96,055	11,181,388
£600-£699	7,269,507	2,684,884	154,477	465,225	46,787	79,717	10,700,597
£700-£799	6,399,943	2,226,350	160,446	446,608	45,353	73,311	9,351,711
£800-£899	6,083,823	2,107,803	154,257	430,037	54,211	85,853	8,915,984
£900-£999	5,608,786	1,742,900	162,230	413,891	51,783	68,004	8,047,594
£1,000-£2,999	75,833,949	16,912,896	3,226,288	7,451,621	1,253,839	1,007,770	105,686,363
£3,000-£4,999	33,981,863	5,450,034	2,429,995	4,218,066	1,028,389	515,284	47,623,631
£5,000 and over	82,167,216	10,983,029	14,843,806	34,014,783	31,118,343	6,541,653	179,668,830
Total	272,005,415	69,776,858	21,755,417	49,535,462	33,815,233	8,987,719	455,876,104

9. Correlation of Income and Assets.—The sociologic importance of ascertaining the relations which subsist on the average between wealth possessed and income enjoyed (the plutoprosodic relation) is self-evident.

The data which furnish these relations are given in the following tables, showing the number of males and females respectively,

out of a recorded total of 1,380,208 males, and 811,737 females, whose incomes and whose assets each range through £1 sterling at a position approximately at the centre of the several ranges. In order to reduce the number of decimals to be expressed, the quantities found by dividing the product of each range of income by the range of the corre-

sponding asset have all been multiplied by of income and its associated range of asset. 1000. The tabular quantities, therefore, are The relation is not very regular, but, nevertheless, can be satisfactorily followed:—

XXII.—Frequency (multiplied by 1000) per unit of Range (Pound Sterling) of Wealth and Income, i.e., 1000 times the number of Persons of a given Range of Wealth and a given Range of Income divided by the Product of the Range of Wealth into the corresponding Range of Income. Australia, 30th June, 1915.

Value.	Aver. Value of Income.	under 100	100-250	250-500	500-750	750-1,000	1,000-2,500	2,500-5,000	5,000-10,000	10,000-15,000	15,000-20,000	20,000-25,000	25,000-50,000	50,000-75,000	75,000-100,000
MALES—															
Under 50	28.6	11396	2546	1179	601	352	100	15	2.19	.328	.080	.052	.0100	.0008	..
50-100	74.1	30222	5011	1869	860	488	167	23	2.59	.472	.150	.048	.0100	.0024	..
100-150	122.9	41151	9339	3022	1187	621	193	36	3.62	.564	.160	.056	.0150	.0024	.00160
150-200	168.2	13887	5466	2265	1030	559	169	35	4.62	.670	.180	.073	.0160	.0040	.00080
200-300	236.9	1809	1225	702	430	282	110	27	5.49	.750	.192	.080	.0130	.0024	.00040
300-500	374.4	158.5	148	123	91	75	40	15	4.07	.915	.258	.089	.0150	.0038	.00060
500-750	602.9	15.64	16.1	16.7	15	14	9.81	5.45	2.26	.824	.309	.106	.0203	.0023	.00080
750-1000	854.3	3.04	3.36	4.24	4.09	3.70	2.87	2.03	1.16	.520	.252	.144	.0243	.0018	.00120
1000-1500	1215	.640	1.066	.832	.990	.780	.850	.695	.471	.259	.161	.104	.0278	.0037	.00050
1500-2000	1724	.260	.293	.344	.230	.250	.240	.187	.179	.129	.093	.058	.0252	.0046	.00130
2000-3000	2073	.030	.073	.076	.084	.056	.0480	.0440	.0516	.0512	.042	.028	.0161	.0050	.00100
3000-4000	3412	..	.013	.012	.040	.012	.0130	.00880	.0104	.0106	.016	.013	.0084	.0042	.00110
4000-5000	4494	.010	.007	.004	..	.008	.0080	.00640	.0048	.0044	.006	.008	.0042	.0020	.00130
Over 5000	9786	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Average asset Males—	..	32.10	160	6354	9609	4863	71565	73473	36889	812079	917224	222424	334130	860773	385892.2

FEMALES—	22.3	2091	6717	3434	1636	798	136	6.09	.57	.096	.028	.008	.0020	.00400	..
Under 50	67.9	15707	2009	839	489	366	185	13.09	.77	.052	.032	.012	.0030	.00400	..
50-100	118.1	3934	966	426	223	149	89	25.40	1.07	.100	.028	..	.0020	..	..
100-150	169.4	617	311	152	96	66	39	20.35	1.84	.100	.028	.020	.0080	..	..
150-200	240.1	99	74	45	34	22	49	8.97	2.58	.172	.038	.016	.0028	.00080	.00040
200-300	377.6	16	14	10	7.36	6.70	4.28	2.31	1.58	.329	.038	.017	.0038	.00040	..
300-500	606.8	2.9	3.04	2.27	2.11	1.87	1.18	.657	.415	.317	.107	.038	.0034	.00080	..
500-750	847.1	1.0	.90	.416	.65	.640	.442	.244	.155	.143	.101	.049	.0044	.00010	..
750-1000	1204	.26	177	.017	.23	.24	.134	.086	.065	.048	.041	.027	.0082	.00030	.00010
1000-1500	1729	.02	.026	.036	.040	.096	.041	.026	.025	.017	.0128	.011	.0056	.00060	..
1500-2000	2434	.06	.028	.016	.016	.012	.013	.013	.010	.0078	.0034	.0034	.00308	.00104	.00020
2000-3000	3537	..	..	.004	.016	.008	.003	.003	.003	.0016	.0016	.0001	.00104	.00028	.00016
3000-4000	4455	..	..	..	..	..	..	.002	.012	.0008	.0001	.0001	.00044	.00040	.00024
4000-5000	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Over 5000	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Average asset	..	27.98	158.7	351.9	604.4	682.3	1527.4	3422.0	6818.6	12064.0	17342.0	22316.0	33919.3	60817.9	86188.4
Females ..	..	30.35	159.9	353.8	607.6	683.2	1553.7	3460.3	6874.0	12077	17246	22405	34098	60778	85893
Persons	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

Note.—The frequency for persons is the sum of the two values above.

Part III.—The Inventory and Probate Methods of Estimating Wealth, and the Growth of Wealth.

CHAPTER 1.—ESTIMATE OF AUSTRALIAN

PRIVATE WEALTH FOR 1915.

1. **General.**—Of the various methods of estimating the wealth of the community the inventory method is that which furnishes most readily a comprehensive view of the various classes of wealth constituting the aggregate. In this respect it has advantages which do not attach to either the succession (probate) method, or the census method. The possibility of using it, however, is largely dependent on the existence of valuations of various kinds made for purposes other than the estimation of total wealth, as, for example, Local Government assessments, values of imports, values of plant and machinery engaged in various industries, etc. Further, in certain of the items direct valuation is not possible, and estimates based on indirect data and general knowledge must be employed, as, for example, an estimate of the value of clothing based on the known number of persons, and an assumed value per head, or a valuation of furniture based on the number of houses of various sizes or of various rental values. It is thus clear that, in common with all other estimates of wealth, the inventory method is involved in some measure of uncertainty, but it is doubtful whether this is more marked than in the case of other methods. On the other hand, it has the advantages (i.) that it enables a fair idea to be obtained of the degree of uncertainty involved in each item, (ii.) that unlike a census it costs little to

compile and can consequently be prepared at relatively short intervals, (iii.) that it relates approximately to a definite point of time, whereas a "succession" estimate at its best can only give the average for an extensive period if it is to be at all reliable.

2. Basis of Estimate.—In the accompanying estimate provision has been made for the inclusion of all material private wealth existing in Australia, whether owned by persons domiciled in Australia or by those resident abroad, but *public property whether national or communal has been omitted*. Owing to this scheme it might possibly be considered necessary to include in the aggregate an item representing the securities for loans to Commonwealth and State Governments, and to public bodies, which are held in Australia, since such holdings will in all cases be included in succession returns and census results, and should thus be included to justify a comparison of the results obtained by the several methods. Although such inclusion might appear out of place in what is essentially a valuation of material objects, it might, perhaps, be possible to justify it on the view that the amount so included *represents the portion of the national and communal property for which private investors resident in Australia hold certificates of title* in the shape of bonds, debentures or stock.

It is not clear, however, that a similar contention in favour of including the Australian public debt held outside the Commonwealth would not have equal validity. In view of all the circumstances it was decided to omit any reference to the public debt in the main estimate.

3. Aggregate of Detailed Estimates.—On combining detailed estimates, the total value of private wealth existing in Australia, exclusive of private

interests in national and communal property, is found to be approximately 1620 millions sterling, or £327 per head of the mean population of the Commonwealth for 1915. A comparison of this estimate, however, with one based on a wealth census or on probate returns is not satisfactory unless there be added to the inventory estimate an allowance for the local holdings of Commonwealth, State and Municipal securities, all of which are brought to account in the census and probate methods. At the 30th June, 1915, the total amount so held was approximately 140 millions sterling, making with the sum quoted above, a total of 1760 millions as compared with the war census total of 1643 millions, and an uncorrected estimate on the probate basis of little more than 1000 millions. It can at least be said that the result obtained by the inventory method, although much in excess of any previous estimates, is in the main corroborated by the wealth census. A summary of the values obtained is furnished in the following table:—

XXIII.—Estimate of the Private Wealth of Australia as at 30th June, 1915, based on the Inventory Method of Estimation.

Class of Property.	N.S.W.	Vic.	Q'land.	S.A.	W.A.	Tas.	N.T.	F.T.	C'wth.
(i.) Land and Improvements	£1,000	£1,000	£1,000	£1,000	£1,000	£1,000	£1,000	£1,000	£1,000
(ii.) Live Stock	472,925	314,611	128,867	93,300	61,812	33,093	660	369	1,105,637
(iii.) Agricultural, Dairying and Pastoral Implements and Machinery	38,260	21,371	24,490	5,197	7,610	2,251	1,115	97	100,391
(iv.) Manufacturing Plant and Machinery	8,037	6,412	2,347	3,319	2,170	478	8	8	22,799
(v.) Mining Properties (including Plant and Machinery)	15,901	10,761	6,817	3,925	2,194	1,142	..	..	40,040
(vi.) Coin and Bullion	10,875	7,551	6,170	1,438	11,311	3,942	32	..	41,319
(vii.) Private Railways and Tramways	13,877	19,454	3,414	2,833	3,967	825	9	..	44,379
(viii.) Shipping	1,461	500	4,608	68	3,870	1,228	..	..	11,735
(ix.) Agricultural and Pastoral Products	4,215	4,844	1,102	2,009	838	316	7	..	13,331
(x.) Locally Manufactured Products	22,786	15,452	7,981	7,210	3,910	2,064	16	46	59,465
(xi.) Mining Products (other than Gold)	21,942	16,546	8,285	4,428	1,766	1,380	..	..	54,347
(xii.) Imported Merchandise	1,506	57	377	162	56	191	5	..	2,354
(xiii.) Clothing and Personal Adornments	11,997	9,159	4,410	2,822	2,070	1,280	28	16	31,782
(xiv.) Furniture and Fittings, Books, Pleasure Vehicles, etc.	5,606	4,280	2,061	1,319	967	598	13	7	14,851
Total	31,392	23,111	8,724	6,681	4,577	2,512	51	39	77,087
Mean Population for 1915 (in thousands)	660,800	454,109	209,653	134,011	107,118	51,300	1,944	582	1,619,517
Private Wealth per Head	1,868.6	1,426.6	686.9	439.5	332.4	199.3	4.4	2.5	4,950.2
Private Wealth per Head	£354	£318	£305	£305	£332	£258	£442	£233	£327

CHAPTER II.—THE GROWTH OF AUSTRALIAN WEALTH.

1. General.—The probate returns afford the only practical means of measuring the growth of wealth in Australia. The principle of determining the aggregate of private wealth from such returns was indicated in the early part of this article. It was concluded after exhaustive examination that the wealth as deduced from probates should be multiplied by the factor 1.60016, and after so doing the results hereinafter given were obtained. In this connection it should be mentioned that the increasing length of the expectation of life has been fully taken into account.

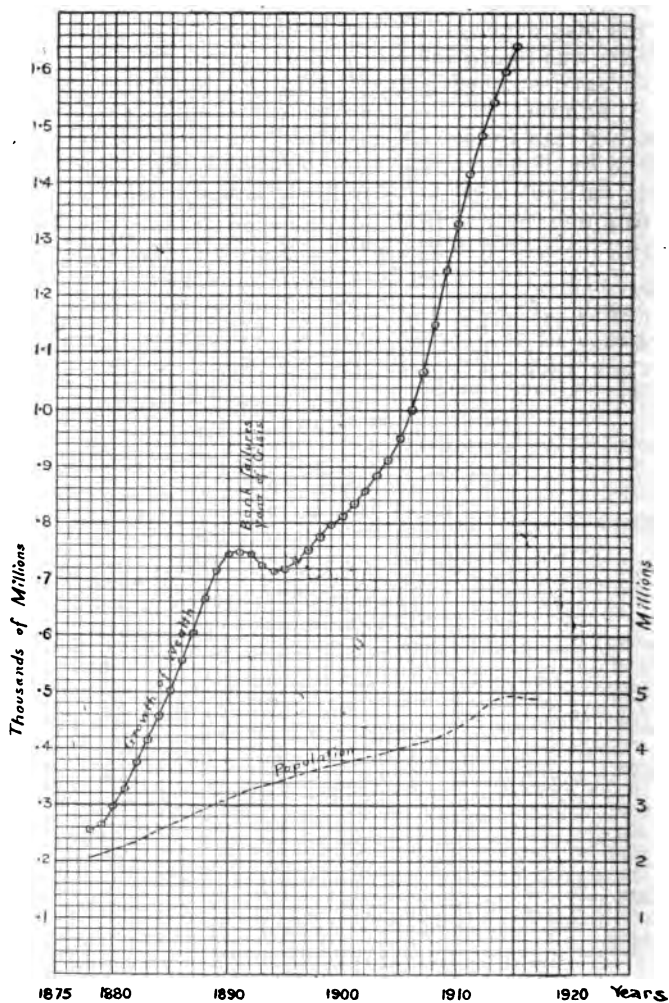
2. Growth of Wealth according to Probate Returns.—It was possible to carry these back as far as 1878, the result being as shown in the following table:—

XXIV.—Estimate of the Growth of Private Wealth in Australia from 1878 to 1915.

Year.	Total Wealth, £1,000 †	Year.	Total Wealth, £1,000 †	Year.	Total Wealth, £1,000 †
1878	257,940	1891	750,053	1904	912,319
1879	263,146	1892	745,287	1905	953,149
1880	295,713	1893	727,015	1906	1,001,768
1881	328,978	1894	716,679	1907	1,069,557
1882	375,118	1895	719,479	1908	1,151,441
1883	415,858	1896	735,789	1909	1,244,216
1884	457,174	1897	754,506	1910	1,329,933
1885	503,755	1898	776,234	1911	1,417,901
1886	555,633	1899	795,540	1912	1,484,188
1887	606,824	1900	814,079	1913	1,542,448
1888	665,933	1901	835,446	1914	1,596,678
1889	717,994	1902	857,374	1915	1,643,464
1890	747,552	1903	884,844	1916	..

These results show that the growth of private wealth increased almost at a uniform rate of about 45½ millions sterling per annum from, say, 1879 to

1889. This came to a standstill in 1891, and the private wealth then actually decreased till 1894. This was a period of financial stress. From 1894 there was again increase, which from 1895 to 1900 averaged somewhat less than 19 millions sterling per annum. An increase at a continually accelerating rate followed, till about 1909, the total from 1908 to 1909 being about £93,000,000. Subsequently the rate of increase declined, the average for the quinquennium 1919-1915 being somewhat over 62% millions per annum, and only 47 millions sterling in 1914-1915. These variations in the rate of growth of wealth and the comparison with the growth of population are best seen by means of a graph such as that hereunder.



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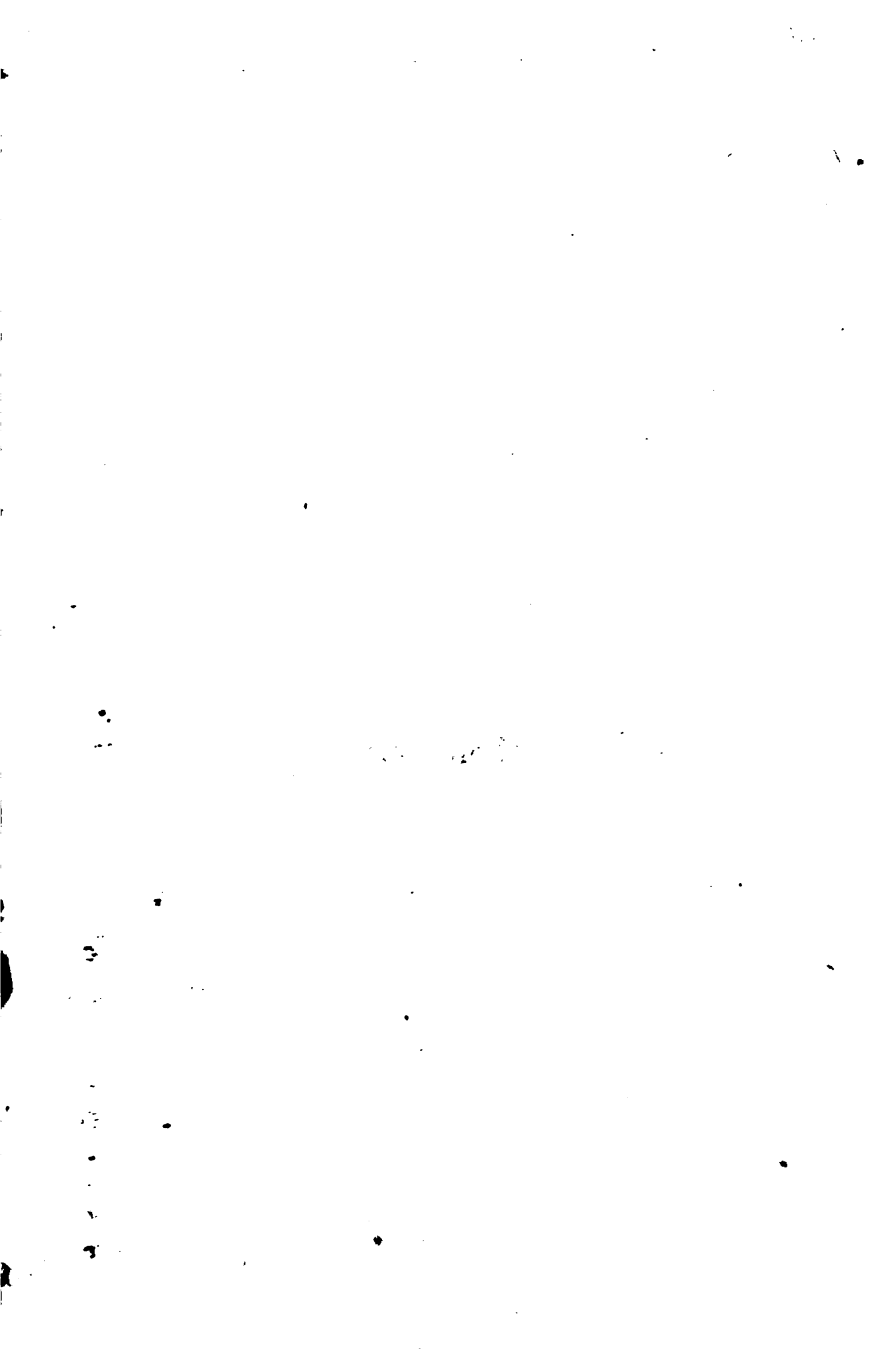
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